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Confusion over Benazir Bhutto visit to Gaza

ALON PINKAS, HILLEL KUTTLER and news agencies

WILL she come or won't she? There were conflicting reports last night whether Pakistani Prime Minister Benazir Bhutto will be the first foreign leader to visit the Gaza Strip since the start of Palestinian self-rule.

Earlier in the day, the Pakistani Foreign Ministry announced that she would make a September 4 stop in Gaza to meet with PLO leader Yasser Arafat.

A ministry spokesman said Pakistan would not ask Israel, which it does not recognize, for permission for Bhutto's visit to Gaza, saying the Palestinians were responsible for the arrangements.

"If [the Palestinians] wish to seek permission from others it is up to them," the spokesman said.

He said Bhutto would cross into Gaza from Egypt, and would meet with Palestinian leaders and ordinary people.

However later yesterday, Bhutto said she had dropped the planned visit.

"I have dropped my plan to visit Gaza as the date clashes with a meeting between Yasser Arafat and the US vice president," she told reporters.

But Arafat's spokesman, Dr. Nabil Abu Radwan, confirmed after Bhutto's announcement that her visit was still definitely on.

Meanwhile, Gore has definitely canceled his scheduled September 4 visit to Israel, due to injuries suffered last weekend playing basketball, Israeli Embassy officials said yesterday.

Gore, who was operated on for

a ruptured Achilles tendon, has nevertheless decided to continue with plans to head a US delegation to Cairo for a UN conference on population growth.

But Gore's visit to Jerusalem, Jericho and Saudi Arabia - and perhaps Jordan as well - has now been scrapped because of the injury.

A makeup date has not yet been set for the Israeli visit.

Official diplomatic sources said last night that Israel knew in advance of Bhutto's scheduled visit to Gaza, but made no effort to invite her to visit Israel.

The sources added that while Israel would welcome progress in relations with Pakistan, expanding relations with India are of greater importance and political value.

Last year, a senior Israeli official met with a senior Pakistani diplomat in Washington, and the two discussed the possibility of establishing relations. Other overtures were made by Pakistani officials in the last several months.

The sources said that several days ago, initial details of a possible visit by Bhutto were made available to Israel, but since she indicated that she intends to visit Gaza, it was not Israel's responsibility to deal with it. The sources stressed that despite an official Pakistani statement that Bhutto will not ask Israel for permission if the trip takes place, she will be crossing an Israeli-controlled checkpoint in Rafah.

Pakistan denies having bomb, P. 4

Transfer of civil administration to Palestinians initialed in Cairo

JON IMMANUEL

ISRAELI and Palestinian negotiators in Cairo last night initialed an overall agreement transferring part of Israel's civil administration to the Palestinians.

The 46-page document has to be ratified by the government and the Palestinian Authority.

Earlier in Ramallah, an Israeli and a Palestinian educator signed documents, shook hands, and launched the second stage of the Israeli-Palestinian peace process, which will extend some Palestinian authority to the rest of the territories.

The transfer of administration over education in Ramallah is to be followed by a similar transfer in Nablus, Jenin, Bethlehem, and Hebron by Sunday, affecting the lives of 60 percent of the Palestinian population which so far has been untouched by self-rule in Gaza and Jericho.

The Palestinian education department starts functioning on August 29. No date has yet been set for the transfer of health, social welfare, tourism, and taxation, the other spheres of administration to be handed to Palestinians.

The PLO's chief negotiator in Cairo, Nabil Shaath, emphasized the connection of the new accord with the Gaza-Jericho accord, saying: "Today begins the implementation of the Cairo agreement over all Palestinian lands."

Maj.-Gen. Danny Rothchild, Israel's chief negotiator and the government coordinator in the territories, preferred to emphasize the differences. Speaking on Israel Radio after the signing ceremony, he said that unlike in Gaza and Jericho, "we remain in the territory and we are responsible for what happens there."

The change extends the scope of the Palestinian Authority to Ramallah, Nablus, and Jenin.

The PA's director of education, Dr. Naim Abu-Humus, emphasized



Negotiators shake hands in Ramallah yesterday after signing an agreement handing over the administration of education to the Palestinians. Left to right: The Palestinian Authority's director of education, Dr. Naim Abu-Humus, Lt.-Col. Baruch Nagar, and the Israeli civil administration director of education, Mahfouz Zaher.

ized at the signing ceremony at a teachers' seminar in Ramallah that "the most important thing is for the donor countries to give us a chance in the first year." Even if taxes are raised, he said, "this will be part of the budget, but not enough."

The civil administration has agreed to pay the salaries of 11,000 teachers for two months. With average salaries of NIS 1,200, the total will be NIS 13.5 million a month, not including Gaza.

Civil administration director of education Mahfouz Zaher warned that the Palestinians must ultimately

finance their own administration. His job ended, he said, after he coordinated with Abu-Humus those who will fill the handful of administrative positions vacated by Israelis.

"They have administrative ability, but I have no idea if they have the financial ability to keep things going," he said.

Arafat said he believed there would be no problem. "The PLO is not an ordinary organization," he told reporters accompanying a delegation of young Labor Party members in the Gaza Strip. "We were receiving money from the Arab countries, and we were

spending the money from the budget of the PLO to many of these improvements."

There is unlikely to be any radical change in the direction of Palestinian education, which outside Gaza has been run in accordance with directives from Jordan's Education Ministry.

"We have a good relationship with Jordan. At this stage it is too early to make any changes," Abu-Humus said.

Pressure will soon be on to mold a new Palestinian orientation, but one thing is certain. "According to the agreement, books used must be in the spirit of peace, and I am

convinced that propaganda and incitement against Israel will have no part in them," Zaher said.

Maha Nashashibi, principal of Ramallah's Community College for Girls, remarked, "We haven't taught anything about Palestine until now. Now that we are friends, UNESCO says we are not allowed to teach things against the Jews. But you have to tell the children the truth. They know their grandfathers were born in Ramle or Lydda. When their motherland is lost you have to teach them little by little how to deal with the future."

Cabinet set to finalize budget proposal on Sunday

JOSE ROSENFELD

THE Treasury will propose to the cabinet on Sunday a budget of NIS 128.7 billion for next year, which will require NIS 793 million in spending cuts to accommodate NIS 2.07 billion in tax reductions and NIS 2.393b. in new spending.

The cabinet will meet on Sunday for its final deliberations on the budget before sending it to the Knesset.

The agreed deficit of 2.75 percent of the Gross Domestic Product is expected to significantly lower the government's borrowing needs from NIS 4.25b. this year to NIS 3b.

This decrease is expected to help lower long-term interest rates and defuse inflationary pressures somewhat.

The Treasury will not present the cabinet with a set plan of which indirect taxes it will reduce to offset the NIS 500m. in new revenues from the new 10 percent tax on capital gains.

However, purchase and property purchase taxes are expected to be good candidates.

The Treasury will propose to extend this year's privatization program, since the stock market's

poor performance during the first half of the year hindered the sale of state companies to the public.

The Treasury will recommend that the government push ahead with 28 new structural economic reforms aimed at making the economy more efficient and help bring prices down.

As of the first of next month, the government will implement the fourth stage of the program to open the local market to imports.

This is also expected to help bring prices down, as duties on imports from countries which do not have trade agreements with Israel will be reduced by an average of 5% to 10%.

In an effort to moderate the inflationary impact of large public sector wages, the Treasury will propose eliminating 630 full-time positions in government offices and decrease job advancement increases - such as grade promotions, additional overtime and car allowance payments.

Finance Minister Avraham Shohat said, however, that he would not reopen the wage agreements that were signed.

Full reports, Page 8

Fatah Hawks cell captured, said responsible for 10 murders

JON IMMANUEL and ALON PINKAS

SECURITY forces last week captured a Fatah Hawks terrorist cell suspected of killing nine alleged informers and one Arab policeman, it was announced today.

The cell was captured near the city of Kalkiya and its members are from Tulkarim, Kalkiya, Kaddum, and Danaba, marking the first known time the Fatah Hawks have been operating in Judea and Samaria.

At least some of the murders were committed after the signing of the Oslo accords last August. The murder of policeman Samiah Mahmoud Daoud occurred only last month.

The IDF said the investigation of the cell is continuing.

The announcement said that some members of the cell escaped to Jericho, but no numbers were provided and the announcement

did not say whether they were arrested by Palestinian police. Weapons were surrendered by the captured members of the cell.

Prime Minister Yitzhak Rabin was apparently referring to this cell last week, when he referred to Fatah responsibility for the deaths of 11 Arabs since the Oslo accords.

Meanwhile, security sources confirmed that they know the Palestinian police recently released five Hamas members suspected of killing three Israeli soldiers in two incidents in May and this month.

The allegations were published in Yediot Aharonot and confirmed by security sources, but denied by the Palestinian police. In the May incident, soldiers Moshe Bukra and Erez Ben-Baruch were shot from

ambush near the Erez checkpoint. According to security sources, the names of the suspects were relayed to the Palestinian police which arrested but eventually released them.

On July 19, Capt. Guy Ovadya was shot to death while on patrol along the Egyptian border. Three Hamas members were arrested by the Palestinian police but released shortly afterwards.

Arab council leaders end five-week strike

DAVID RUDGE

ISRAELI Arab council leaders ended their five-week-old strike last night, after an agreement to consolidate the deficits of their debt-ridden local authorities was reached in lengthy talks with Finance Minister Avraham Shohat.

"It's a great pity it took so long, but thank goodness the matter is now settled," said Hussein Suleiman, spokesman for the forum of Arab council heads.

Under the agreement, the Interior Ministry will grant NIS 50 million to the 53 Arab councils to help cover deficits of more than NIS 200m. The balance is covered

by approved loans and local taxes.

It was also agreed to establish a special committee to investigate the requirements of Arab towns and villages, as well as discrimination in funding for regular and development budgets of the councils.

"The committee is to make its report within six months and the findings will be binding on all sides," said Suleiman.

The compromise was achieved with the help of Union of Local Authorities chairman Adi Eldar. "We can now dismantle the protest tent opposite the Prime Minister's Office," Suleiman added.

Settler escapes attempted kidnapping

HERB KEINON

YEHUDA Rotner, an immigrant who arrived from the US three weeks ago, escaped with light injuries after terrorists disguised as Jews allegedly tried to kidnap him near Efrat yesterday.

According to IDF sources, Rotner said he was hitchhiking at the Efrat Junction when a car with three men in it pulled up. Rotner, a student at Yeshivat Har Etzion in Alon Shvut, where he lives, got into the car believing the kippa-clad men to be Jews. He told IDF investigators that he was able to jump from the car somewhere near Solomon's Pools, after a struggle with the terrorists began and one of them tried to stab him.

Yonadav Tomer, from the Gush Etzion settlement of Neveh Daniel, was driving along the road when he said he "saw a man waving hysterically in the road."

"I stopped and he said that five minutes earlier he jumped out of a car after terrorists tried to attack him. I took him to an IDF

vehicle, which then took him to the regional headquarters for a debriefing," Tomer said.

The IDF clamped a curfew on the area, including the Dehaisheh refugee camp, part of Bethlehem, and the village of Kfar Atas, and hunted for the assailants.

The white Alfa Romeo car with Israeli license plates that the terrorists were driving was found abandoned nearby. Inside were kippot, teffin, and handcuffs.

Rotner told the IDF officers who questioned him that one of the men he talked to before getting in the car was blonde, bearded, and spoke perfect Hebrew.

The Council of Jewish Communities in Judea, Samaria and Gaza issued a statement saying, "As we approach the one year anniversary 'celebrating' the Oslo agreements, this incident joins hundreds of other security incidents that have occurred

Unemployment down to 7.8% in second quarter of year

JOSE ROSENFELD

UNEMPLOYMENT fell to 7.8% in the second quarter of the year, compared with 8.2% in the previous quarter, the Central Bureau of Statistics reported yesterday.

Male unemployment dropped to 6% from 6.3% in the previous quarter, while female unemployment was significantly higher at 10.2%.

The number of new jobs jumped by 136,000, and the number of unemployed dropped by 37,000. The increase in new jobs represented a 2.5% rise over new

jobs created in the second quarter of last year, while the number of the jobless fell dramatically by 19.8% during the same period.

During the first half of the year, the unemployment rate fell to 8% compared to 9.4% in the previous six months.

Jobs in trade and food and hotel services grew by 16.5% to 285,000 during the first half of the year, compared with the same period last year. Similarly, jobs in financial and business services expanded by 11.8% to 203,000.

Placido Domingo sick, concert in doubt

HELEN KAYE

Tenor Placido Domingo's appearance next Wednesday at the Sultan's Pool in Jerusalem is in jeopardy.

The concert's co-sponsors, the Jerusalem Municipality and the Jerusalem Foundation, announced yesterday that the super-

star is sick with an unspecified illness and his appearance may have to be postponed.

Nobody even wants to think of a cancellation because the tickets, priced at NIS 124 to NIS 600, have been selling well, with 3,000 of the 5,500 already sold.

MK Matza demands Rabin extend summer time

LIAT COLLINS

MK Yehoshua Matza, chairman of the Knesset Interior Committee, is fighting for extra time. Summer time, that is.

Yesterday he demanded that Prime Minister Yitzhak Rabin, as

acting interior minister, defer the return to standard time, scheduled to begin Saturday night, for another month.

In a letter to Rabin, Matza noted the decision to end summer time in August, "in the heat of the summer," was endorsed by the committee some two years ago, under heavy pressure from then interior minister Aryeh Deri. "It was a great mistake," he said.

The initial idea was to help the religious sector, which traditionally says *Slikhor* (penitence) prayers in the period before Rosh Hashana. The prayers are customarily said before the morning service, and Shas MKs said summer time meant worshippers had to get up very early to complete the prayers before daylight.

"It's a total joke to end summer time in August," Matza told *The*

Jerusalem Post. "Even religious prayer-goers have told me that there is no reason to end summer time early. It's ridiculous."

If Rabin agrees to postpone the start of standard time, Matza will convene a special meeting of his committee to endorse the decision, possibly later today.

"If he doesn't agree to the change, then we will fight via the committee's regular meetings to change it for next year at least," Matza said.

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IDF kills two gunmen in security zone

IDF TROOPS shot and killed two gunmen inside the security zone following a clash late on Tuesday night which continued into the early hours of yesterday morning.

The army spokesman said a unit from the paratroop regiment was on operational duties north of Kantara village in the central sector of the zone when they encountered the gunmen.

The troops charged and opened fire at the gunmen, killing one of them in the firefight. The second gunman managed to flee but was subsequently tracked down and killed.

Reports from the region said documents found on the bodies indicated they were Palestinians

who had probably been on a mission to attack IDF or South Lebanese Army targets in the zone.

The clash - the second between IDF troops and gunmen in the zone within a week - occurred in difficult hilly terrain. Rifles and other weapons were found alongside the bodies of the gunmen.

Reports from Lebanon said there had also been relatively heavy shelling by IDF gunners in the same region around the time of the clash and afterwards.

The reports said Hizbullah sources denied that the two gunmen were members of it.

The previous clash between IDF troops and gunmen in the zone occurred last Thursday along the coastal road between Rosh

DAVID RUDGE

Hanikra and Ras Bayyada, when a patrol of Givati Brigade soldiers was ambushed.

A Hizbullah gunman was killed in that incident and two soldiers were lightly wounded.

OC Northern Command Maj.-Gen. Yitzhak Mordechai visited the scene of the latest clash yesterday and praised the actions of the troops involved.

He said that as long as there was no alternative force capable of ensuring peace and quiet in the region, the IDF would remain responsible for protecting northern settlements.

Mordechai said Prime Minister Yitzhak Rabin made it clear on

several occasions that when there were forces capable of ensuring the security of northern settlements and the rights of the IDF's allies in south Lebanon, it would be possible to reach peace agreements, but there were some elements which did not want such accords to be achieved.

On a different matter, Lebanese newspapers quoted Prime Minister Rafik Hariri as saying he had been informed by the UNIFIL command that there were indications the IDF would soon lift its siege of Yochmor village, just north of the security zone.

The newspapers reported that a special envoy had been sent from UNIFIL to Hariri with the message.

The newspapers said sources close to Hariri rejected suggestions that the Lebanese Army would deploy in the area to stop "resistance operations" in return for the lifting of the siege on Yochmor.

Amal leader Nabih Beri earlier criticized the US for not putting pressure on Israel to end the blockade of the village, which began over a month ago.

The IDF was said to have blocked the main access road to the village because its residents were believed to be collaborating with Hizbullah.

Military sources denied at the time that the IDF was preventing supplies of food, water and medicines from reaching Yochmor.

Darawshe wants to lead Israeli peace delegation to Iraq

HILLEL KUTTLER
WASHINGTON

MK Abdul Wahab Darawshe (Democratic Arab Party) said yesterday that he hopes to bring an Israeli delegation to Iraq to discuss drawing Baghdad into the peace process.

The delegation would be comprised of 10 Arabs and 10 Jews, including several born in Iraq, Darawshe told foreign journalists here. He said that the 20 have already been selected, but refused to divulge their names.

Darawshe said he has sent a fax to Iraq's UN ambassador, Nizar Hamdoun, requesting a meeting in New York next week to discuss the idea, but has not yet received a response.

He will also raise the proposal with US peace team members Aaron Miller and Daniel Kurtzer and Ambassador to the US Itamar Rabinovich, all of whom Darawshe is scheduled to meet in the coming days.

"If we try to find a comprehensive and just solution to the conflict in the Middle East, we cannot neglect Iraq," Darawshe said. "Iraq has a very important position as a strong country in the area... so I believe Israel must find ways to talk with Iraq. And I think it's an Israeli interest, an Iraqi interest, and an interest for any peace lovers."

The agenda for such a trip would be threefold, Darawshe said: Discussing the lifting of UN sanctions on Iraq; providing Iraq "a chance to integrate into the peace process"; and visiting with members of the Iraqi Jewish community, whom Darawshe said "are living as equal citizens" there.

Palestinian collaborator petitions court for job, housing

EVELYN GORDON

A PALESTINIAN collaborator petitioned the High Court of Justice yesterday demanding that Israel grant him a residency permit and help him obtain a job and housing.

According to attorney Yossi Shaked, who filed the petition, the petitioner, originally from Jenin, began "to identify with Israel's interests" shortly after the start of the intifada, and started working for the General Security Service. However, when his fellow Palestinians discovered that he was helping Israel, he suffered severe damage. His business was burned; he and members of his family were beaten up; and threats were made against his life, Shaked said.

Now, as a result of his assistance to Israel, he is cut off from his family, for their own protection, and without any source of income, Shaked said. He is therefore utterly dependent on the GSS.

Despite repeated promises, however, the GSS has refused to protect him, arrange a residency permit or help him obtain employment and housing, Shaked said.

Shaked charged that part of the reason for the GSS's poor treatment of the man is that since the agreement with the PLO, the GSS feels less in need of his services.

"Before, when they needed him, they wouldn't have treated him so poorly," he said.

The petition argues that because of his past services to the state, the state owes the petitioner the assistance he is requesting.

CLARIFICATION

Yeshivat Ma'ayan Herzli is not connected to Yeshivat Ma'arav Ha'arav as reported on August 7.



Some of the several hundred Palestinian prisoners, who were allowed into Jericho in May, demonstrate yesterday against Israel's refusal to allow them to leave the city and in favor of the release of all remaining prisoners. (Reuters)

Abu Ala calls for trilateral negotiations

LAMA LAHOU

ISRAEL, Jordan, and the Palestinians should hold trilateral negotiations, Ahmed Qurei (Abu Ala) told The Jerusalem Post this week.

Qurei, who holds the Palestinian portfolio for Economics, Industry, and Trade, said he opposes last week's agreement between Israel and Jordan on trade between Jordan and the territories. Having worked hard for good relations with Jordan, he said, he was disappointed that the Jordanians signed the agreement while the Palestinians are negotiating early empowerment in the territories with Israel.

"This agreement should have been signed with the Palestinians at a later stage, especially since most of the trade items are vital to the Palestinian economy, like textiles, sweets, and aluminum," he said.

But he does not believe that it is too late to establish better relations with Jordan and to enter trilateral talks. "There is no alternative to trilateral talks and coordination and understanding between the three sides," he said.

Another Palestinian source confirmed that the Palestinian authority had agreed in principle to participate in trilateral negotiations, but said there are still some issues to be resolved. According to the source, the Palestinians would like the Europeans to be present at the talks. So far only the US is represented in the bilateral talks between Israel and Jordan.

According to Qurei, the Palestinians must now concentrate on establishing good relations with their Arab neighbors, especially Jordan. A high level Palestinian delegation headed by Yasser Abbed Rabbo, who holds the Information portfolio, left for Jordan yesterday to discuss a series of issues, including those relating to the economy, said Samir Hulleileh, director of trade for the Palestinian authority.

Qurei is in the process of building up his economic authority in Gaza and Jericho. He said the offices in Gaza are beginning to func-

tion, while he is still looking for suitable offices in Jericho. "I am on the road between Gaza, Jericho, and different West Bank towns. I don't have one fixed office yet," he said that he is setting up local councils of businessmen and industrialists all over the territories, who will advise the authority on their needs and on priorities in their regions.

Qurei fears that the authority is concentrating too much on Gaza, while it should increase its presence in Jericho and the territories. "For Gaza we don't have competitors, no one wants it. But for the West Bank we have more than one competitor," he said hinting at the possibility of a deal between Israel and Jordan over the territories and east Jerusalem. Qurei said one of the reasons the Palestinian authority is concentrated in Gaza is that Yasser Arafat still can't move around freely between Gaza and Jericho.

Qurei was speaking at his office in the Palestinian Economic Council for Development and Reconstruction, in Dahieh near Jerusalem.

Beilin: I said 'on' not 'from' the Golan

DAVID RUDGE and news agencies

Deputy Foreign Minister Yossi Beilin spoke of a withdrawal "on the Golan," the Foreign Ministry spokesman announced yesterday, in reaction to reports that Beilin had told reporters in Scandinavia that Israel was willing to withdraw "from" the Golan.

"It would be stupid for Israel to enter negotiations having already declared its acceptance of the Syrian position," Beilin said yesterday. The ministry said in a statement that the reports were "completely false."

The Golan Settlers Committee yesterday called on Prime Minister Yitzhak Rabin to immediately dismiss Beilin following the latter's reported comments.

Beilin, who is still in Scandinavia, said yesterday that he had not deviated from the stance of Rabin and Foreign Minister Shimon Peres.

He told Israeli reporters that the press in Scandinavia had misconstrued his comments. Beilin maintained he had said that Israel was ready to withdraw "on" the Golan but not "from" the Golan.

The clarification, however, did little to ease the anger or concern of Jewish residents of the Golan. "Somebody who states matters clearly is clearly understood," said Uri Heitner, spokesman for the Golan Settlers Committee.

Heitner maintained that Beilin's reported comments of a complete withdrawal from the Golan were in contradiction to the government's stance until now.

"Somebody who makes such public comments, in our opinion, is not suitable to remain in his post even for one day," said Heitner. "If this is indeed the case, then the government should resign forthwith because it does not have a mandate from the electorate to

allow the Syrians back to the shore of Lake Kinneret," said Heitner. Hermon residents to fight alone, Page 3

Beduin settlement near Bethlehem asks court to order return of running water

JON IMMANUEL

OBEIDIYYA, a Beduin settlement near Bethlehem, petitioned the High Court of Justice earlier this week to have its running water restored after it was disrupted more than three months ago.

On May 12, pumps suddenly stopped bringing water to Obeidiyya, which is located some 100 meters above surrounding Arab and Israeli settlements.

Obeidiyya residents insist the civil administration has ensured that pumps bring water to the Jewish settlements, but not higher Arab ones.

The village now pays NIS 15 a cubic meter for water brought in by truck, compared to less than NIS 3 per cubic meter for the tap water it enjoyed until the system was disrupted, according to Shukry Hassan Rudaidah, who submitted an affidavit to the court.

Until 1990, Obeidiyya did not have a modern water system and relied on rainwater collected in cisterns. The

UN Development Program financed an on-tap system, but the cisterns were neglected, rainwater was not stored and Obeidiyya became totally dependent on Israel for access to water.

"Now there is no water coming through," Rudaidah said. "Many residents have thousands of sheep and goats which need water daily."

Civil administration spokeswoman Maj. Elise Shazar said there has been no discrimination, since many villages, including Jewish settlements, have suffered from a shortage of pressure in their water pipes this summer.

"We are working on a booster to get the water up to the village," she said. "New settlements, Jewish and Arab, were connected to the system, reducing the power of the pumps, even though there is 20 percent to 30% more water in the system."

She anticipated that the booster would be ready within three weeks. The High Court did not set a date for hearing the village's petition.

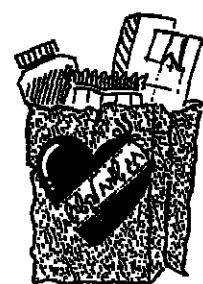
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UN: Rwanda death toll may be over a million

JULIAN BEDFORD
KIGALI

THE final death toll in the bloodbath in the central African state of Rwanda could be well over one million, a UN official said yesterday.

Charles Petric, deputy coordinator of the UN Rwanda Emergency Office (UNREO) told Reuters: "I don't think one million would be an exaggerated figure."

Petric's estimate was backed by a senior aid worker who said his organization had put the deaths, mainly from massacres of minority Tutsis and moderate Hutu government opponents, at around 1.5 million. He declined to be identified.

The previous estimate for the loss of life had been 500,000, a figure given by the International Committee of the Red Cross (ICRC) last May, only weeks after the start of the carnage.

Rwanda's bloodbath began with the April 6 killing of Hutu strongman Major-General Juvenal Habyarimana who had ruled the country with an iron hand since he took over in a coup in 1973.

Following his death, Hutu extremists and members of his fiercely loyal French-trained pres-

idential guard took revenge targeting mainly Tutsis and opposition Hutus.

At the same time the Tutsi-dominated Rwanda Patriotic Front (RPF) launched a new phase in an offensive against the Hutu government, which began with an invasion from Uganda in 1990.

The RPF has now taken power in the capital Kigali, with more than one million Hutu refugees frightened of reprisals huddling just inside Zaire, where thousands have perished in disease-ridden camps after fleeing the new rulers.

Petric and other aid organizations reckoned the overall Rwanda death toll by working from census figures.

A census taken in 1992 gave Rwanda's population as seven million. Many experts believe that figure to be low and say the actual population stood at 7.5 million at that time. The UN World Food Programme says it was as high as 7.9 million.

In May, some 300,000 Rwandans, mainly Hutus, fled the RPF advance on Kigali and sought refuge in Tanzania.

The fall of Kigali and remaining government strongholds sent a flood of Hutus estimated at one time at more than one million to Goma in eastern Zaire and another



A Rwandan refugee woman waits in line for food at an impromptu feeding station some 20 miles from Bukavu, Zaire yesterday. (AP)

300,000 to nearby Bukavu. More than 800,000 remain in camps around Goma even after more Hutus crossed into Zaire with the departure of French troops protecting a self-zone area around Goma at the weekend.

Some 250,000 took refuge in neighbouring Burundi which has the same tribal mixup as Rwanda. The fate and whereabouts of the others can only be guessed.

"Where are the people? That is the big question. It is difficult to have precise figures and no one can explain where the people are," said Marjolaine Martin, deputy chief delegate of the ICRC in Rwanda.

A United Nations commission set up to investigate the killings has asked Western governments to provide 100 forensic experts to excavate mass graves in Rwanda and 100 lawyers to help document crimes including "possible genocide".

The three-member panel leaves on Saturday for Rwanda on a two-week mission to probe charges that the former Hutu government orchestrated a campaign to wipe out minority Tutsis.

It will also investigate allegations by officials of the ousted Hutu government that members of the victorious RPF army also committed massacres. (Reuters)

Pakistan denies nuclear bomb claims

ISLAMABAD (AP) - The government yesterday emphatically denied it had a nuclear bomb, and said a former prime minister was only scoring political points when he claimed Pakistan built one.

"I want to say categorically that Pakistan does not have nuclear weapons and does not intend to make nuclear weapons," Foreign Minister Sardar Asf Ali said in an interview on state television.

Asf Ali and several other officials reiterated the country's longstanding position that it has the components and the know-how to make atomic bombs, but has not done so.

But the latest row has again raised questions about Pakistan's nuclear program and regional stability in South Asia, where archival India is also considered capable of making atomic bombs.

Former prime minister Nawaz Sharif, who heads the main opposition, sparked the fuss Tuesday saying "I confirm that Pakistan possesses the atomic bomb."

Sharif made the comment in a speech at Neela Butt, part of the disputed Kashmir territory controlled by Pakistan.

When Sharif was prime minister from 1990-93, he said Pakistan did not possess atomic weapons. He gave no indication of when Pakistan assembled a nuclear bomb.

Sharif, who lost a close election to Prime Minister Benazir Bhutto last year, has made a string of controversial statements recently as part of his campaign to bring down her government.

Sharif's comment was "a political statement made by a politician" and should be seen in that perspective, said Muzir Akram, a spokesman for the Foreign Ministry. "The former prime minister didn't make such a statement when he was prime minister."

In India, opposition legislators demanded a new debate on the country's security readiness.

"The declaration made by Sharif, who might be trying to become prime minister again, was a matter

of grave concern for national security," said Atal Behari Vajpayee, leader of the opposition Bharatiya Janata Party in the Lok Sabha, the lower house of India's Parliament.

India conducted a successful nuclear test in 1994 and few doubt its ability to make atomic weapons. Officially, India is intentionally vague about its capabilities.

"India has simply said that we keep our options open in terms of security," Salman Khurshid, India's junior foreign minister, said in a television interview. "We've never claimed we have the bomb."

The United States has tried without success to persuade the two South Asian states to sign the Nuclear Non-Proliferation Treaty.

In both countries, nuclear programs are highly popular among political and military leaders.

Successive Pakistani governments have said the nuclear program is peaceful and there is no intention to make a bomb.

Iran demands US apology over bomb allegations

NICOSIA (AP) - Iran yesterday demanded an apology from the United States for implicating it in the explosion that killed 95 and wounded 200 people at the Argentine Jewish community center last month.

Official Teheran radio said no evidence had been found to link Iran with the July 18 blast, so it "expects those countries which discredited Iran by accusing it of

the explosion to apologize." The radio, monitored in Cyprus, said in a commentary that the United States should be the first to do so.

Argentina's attorney general said yesterday there is not enough evidence to involve Iranian diplomats in the July 18 bombing.

According to Attorney General Angel Aguirre Irujo's decision, the Supreme Court of Justice

should abstain from taking over the investigation of the bombing, which must continue in the hands of Federal Judge Juan Jose Galeano.

The nine-member Supreme Court is scheduled to meet today to consider the Attorney General's recommendation, which will be accepted, court sources said.

In a July 29 speech in Washington, US Secretary of State Warren

Christopher called Iran an "international outlaw," alleging that the Iranian-financed Hezbollah terrorist group based in Lebanon was behind the Buenos Aires explosion.

Christopher also said Hezbollah was suspected in an earlier airplane bombing in Panama, in which 12 Israelis and Jews were killed, and two later attacks on the Israeli Embassy and a Jewish center in London.

US hunts other havens for Cubans

WASHINGTON (AP) - The Clinton administration is considering putting tens of thousands more Cuban refugees at Guantanamo naval base in Cuba even as it steps up efforts to discourage the continued wave of migrants attempting to reach US shores.

As part of that move, US officials are pressing Caribbean nations to accept some of the thousands of Cuban refugees whose exodus could swamp the detention camps at the naval base, officials said yesterday.

At the same time, the Clinton administration is moving to make it easier for people still in Cuba to apply to become legal immigrants to the United States. The 1994 quota for Cuban immigrants is 20,000, but that number has not been reached.

"We are looking at ways to expand legal migra-

tion," White House Press Secretary Dee Dee Myers said.

Top-level administration officials, including Attorney General Janet Reno and Defense Secretary William Perry, were expected to discuss the moves at the White House later yesterday, a senior Pentagon official said.

The official, who spoke on condition of anonymity, said military officials were looking at options for moving many of the 5,000 military personnel, civilians and dependents who normally are located at Guantanamo to make room for up to 50,000 migrants.

Presently, 14,000 Haitians are on the base, the official said, and as of Tuesday, plans had called for putting 10,000 Cubans there as well.

Doctor blasted for 'Doomsday' computer

LONDON (Reuters) - A British doctor provoked medical uproar yesterday with a "Doomsday" computer program to decide whether patients live or die.

"If we withdraw treatment earlier in those patients who are hopelessly ill, we will in fact save a lot of money," Dr David Bihari said of his controversial research.

The machine is given a patient's medical history and condition and asked to assess his chances. It has a "death symbol" - a black coffin with a white cross - that lights up if a patient is unlikely to survive 90 days of treatment.

"At the moment, the computer is right 95 times out of 100 when it tells us that a patient is hopelessly ill," Bihari, who works in the intensive care unit at Guy's hospital in London, told BBC Radio ahead of the screening of a television documentary about his research.

The project was condemned as alarmist and irresponsible by Dr Anne Rodway of the British Medical Association's medical ethics committee. "I cannot imagine it would ever be given clinical credence," she said.

Bihari, facing budget cuts, said: "The aim of this computer program was to help us identify those patients so that we could allow them to die in a more dignified and less inhumane fashion."

He said: "There is a small group of patients on a lot of life support machines. But they are hopelessly ill. Their lives are unnecessarily prolonged."

No jokes please, we're Saudi

LONDON (Reuters) - A Saudi Arabian millionaire yesterday hired a British butler - but he will be sacked if he tells any jokes.

The butler, who also had to be a single man, was hired for an annual tax-free salary of \$125,000.

The Saudi, whose name was not revealed, apparently had grown tired of his previous wisecracking butler and wanted some straight-faced service from now on.

Russians catch Uranium thieves

MOSCOW (Reuters) - Russian authorities said yesterday they had caught two men stealing uranium from a nuclear weapons complex but that it was low-grade, an insignificant amount and of a type used only for nuclear power.

A spokesman for the Federal Counterintelligence Service (FSK) said the men were detained with nearly 10 kg of uranium-238 at the once-secret Arzamas-16 plant in central Russia last Saturday.

The spokesman linked the arrest with an international row over Western charges that weapons-grade materials were leaking out of Russia, saying it was evidence of tight security at the plant.

Russia denies the charges but agreed on Monday to work together with Germany to prevent any smuggling of nuclear

materials.

The deputy director of Arzamas-16, Yuri Yakliyev, told Interfax news agency that reports of smuggling were part of a "special planned campaign".

"Someone finds it profitable to present Russian nuclear plants as defenseless," Yakliyev said, in a reference to Western competitors in the nuclear power industry.

Yakliyev said a recent study of Arzamas-16, near Nizhny Novgorod east of Moscow, had found security to be tight.

Arzamas-16 is one of several closed and formerly top-secret cities where uranium is mined, nuclear research carried out and nuclear weapons manufactured.

The FSK spokesman said the two unemployed men were caught in a joint operation by the counterintelligence service, the interior ministry and the Arzamas-16 security officials.

Interfax news agency said the

management discovered that five kg of uranium-238 was missing and the investigators recovered a total of 9.5 kg.

Tass quoted a nuclear expert surprised by the affair, given that uranium-238 was legally traded by authorized bodies in Russia at a price of less than \$200 per kilo.

An ordinary VVER pressurized light water type reactor would require 60 tonnes of it. It was useless for producing nuclear weapons.

Security agents in Germany have since seized three shipments of plutonium, which they say came from the former Soviet Union, probably Russia. A fourth consignment was weapons-grade enriched uranium.

The seizures, and the publicity given to them in the Western media, have caused an often bad-tempered row over the past 10 days.

Mexican ruling party wins congress

MEXICO CITY (AP) - The opposition's last hopes to weaken the ruling party's hold on power collapsed yesterday, with official returns showing the party winning the presidency and an overwhelming congressional majority.

The nearly completed vote count showed that the Institutional Revolutionary Party (PRI) had won a remarkable gamble - keeping its 65-year hold on power while cleaning up the worst excesses of the electoral system.

Mexican and foreign election monitors said they found a wide range of irregularities - from pressure on voters to outright fraud in some areas. But they said the problems probably would not have affected the outcome.

"We are facing a historic opportunity to create a government for

the common good in which the interests of all are recognized," said the Ernesto Zedillo, who won election to a six-year term.

With 88.12 percent of the votes counted, Zedillo had 50.08 percent - just off the 50.4 percent that President Carlos Salinas de Gortari won six years ago.

Diego Fernandez de Cevallos of the conservative National Action Party followed with 26.81 percent, and Cuauhtemoc Cardenas of the leftist Democratic Revolution Party had 17.03 percent.

The turnout, above 77 percent, was far higher than the 50 percent many had expected.

Opposition parties had hoped to hold the PRI below 50 percent in congress for the first time since the party was founded in 1929,

forcing it to negotiate with other parties to pass legislation.

But the Federal Electoral Institute said late Tuesday the PRI was leading in 278 of 300 congressional races and in virtually all 64 Senate races. Another 200 seats in Congress and 32 in the Senate will be divided according to vote percentages for the nine parties.

Under new election reforms, no party will be allowed the two-thirds majority needed to modify the constitution, but the PRI is likely to come just short of that.

The election was the most scrutinized in Mexican history, with 82,000 observers at the polls. It was also carried out under reforms that put a non-partisan panel in charge of the voting and imposed stiff new penalties for fraud.

Moroccan gunmen kill two tourists

RABAT (Reuters) - Gunmen shot dead two Spanish tourists in a luxury Moroccan hotel yesterday, when they sprayed the lobby with automatic weapons fire before making off with cash, the official news agency MAP reported.

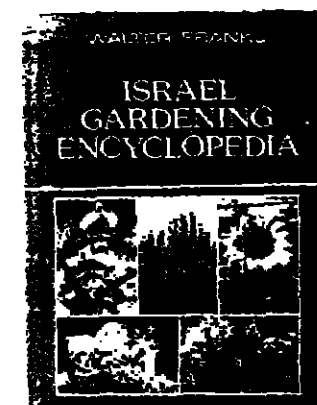
The two gunmen, who wounded a third Spaniard and a Moroccan woman, snatched 10,000 dirhams (\$1,130) after trying to overpower the cashier of the five-star Atlas Asmi Hotel in the southern city of Marrakesh, MAP said.

The gunmen then commandeered a nearby parked car and

took hostage its woman owner, who was also a hotel guest. They released the woman 15 minutes later on the outskirts of the city.

MAP said the hooded attackers "did not speak the Moroccan (Arabic) dialect and witnesses said they were foreigners".

The three tourists were on holiday with a Spanish group organized by the Tour Africa travel agency. A hotel source named those killed as Antonia Cuevas and Salvador Torres. The wounded tourist, Dora Ocaña, was shot in the leg.



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Election fever

ACCORDING to the international news agencies, an event of great democratic importance is taking place just across the border. "Millions of Syrians flooded polling stations in government buildings, schools and hotels to elect representatives to the 250-seat parliament, the People's Assembly," says one. Another adds informatively: "No major shift in policy is expected" and "Support of (President Hafez) Assad's policies was the theme of campaign statements of all candidates." You bet it's the theme.

The uninformed reader may gather from these bland reports that the Syrian people are enjoying a similar event to that in Mexico — a controversial election, fraught with difficulties and doubts, but basically the honest exercise of a developing nation's right to elect its government.

One news agency helpfully quotes "analysts" in Damascus who think that in the "new parliament," the "lists of candidates of the Ba'ath-led National Progressive Front (NPF) are expected to win as they have in five previous elections." These experts have been a little coy in telling us some more facts about this winning streak and the Syrian people's great elections.

From 1963 to 1970, the Syrian Ba'ath Party held no elections. When Assad seized power, he promised a "popular democracy" with regular elections as the cornerstone. For this exercise, he set up the National Progressive Front, bringing together, under the iron command of Assad's Ba'ath of course, former parties of the secular left. Most of the members of these parties promptly deserted the cause, leaving the Front as a complete sham. Exiled dissidents have told how the few puppets who remained under the Ba'ath umbrella had to praise Assad more loudly and frequently than even Ba'ath members, yet were allowed none of the privileges afforded Ba'ath party faithful. The dictator sees to it that few non-

Ba'ath Front members, even sworn Assad loyalists, are listed as tokens in the assembly.

But Assad kept his word on elections. There have been plenty of them, the first ratifying Assad as president in March 1971 with 99.2 percent support. More interesting was the constitutional referendum in March 1973. It was preceded by riots in which thousands braved the repressive security machine to oppose the constitution. The rioters and the more private objectors somehow changed their minds by election day. The vote in favor was 98 percent.

The constitution itself is verbally unexceptionable — copied from those of countries that espouse freedom, human rights, independent judiciaries, opposition parties, checks and balances. Unfortunately, it has been overridden by the State of Emergency of 1963, still in force, which allows Assad temporarily to override all these goodies. The only working systems are those that keep Assad in absolute power — the savage muhabarat security service, the military and the Ba'ath — all in the hands of the 10 percent Alawite minority to which Assad belongs. One of the many arduous responsibilities of the muhabarat may have been on the minds of the millions pouring into the polls yesterday. The bureau has a special unit to screen all proposed candidates for the People's Assembly lists — as well as those for local councils, work unions, and even professional associations.

And what of those found "unsuitable" for democracy? Many of them may be able, once again, to glimpse the crowds of happy voters from a tiny cell window of the Al Mezza prison in western Damascus, which also commands a splendid view of the presidential palace. They may even glimpse the election banner mentioned by a news agency yesterday: "Let Us All Participate in Boosting Our Democratic Process Under the Leadership of the Nation's Great Man."

The hiding of facts

IN the context of terrorist activities in this country, the story is far from sensational. Yehuda Rotner, a resident of Alon Shvut in Judea, was thumbing a ride to Jerusalem yesterday when a car with Israeli license plates, whose driver wore a kippa and spoke perfect Hebrew, stopped and picked him up. Noticing a Koran in the car, Rotner became suspicious, opened the door, and jumped out. He reported the incident to the police, and the car was later found abandoned in Bethlehem. In it were copies of the Koran, a book of psalms, and handcuffs.

The police were not surprised. Clearly, this was yet another Hamas attempt to kidnap and murder, following a familiar modus operandi. According to the army, several such attempts on soldiers were foiled in recent weeks. Previous attempts cost the lives of over a dozen Israeli soldiers, policemen, and civilians.

The police and the General Security Service announced yesterday that they had captured a Fatah Hawks unit responsible for killing at least 10 Palestinians for alleged "collaboration" with Israel. This, too, was not a surprise. While the Fatah, Yasser Arafat's own faction in the PLO, has not claimed responsibility for terrorist activities since the PLO took over Gaza and Jericho, it has been killing "collaborators" at an accelerated pace. Most of the killings have gone unreported.

The meager available information makes it difficult to determine whether the victims were really connected with Israel or just opponents of the Fatah whom the organization wished to liquidate before it takes over in Judea and Samaria. If they were indeed associated with Israel, their

murders were not only criminal acts but a violation of the Israel-PLO agreement which assured the safety of Israeli agents. Not all the Fatah death-squad members were arrested. Some escaped to the safe haven of Fatah-ruled Jericho.

The head of the Gush Katif regional council, Tzvi Hendel, said on Monday that the Gaza District, too, has turned into a safe haven for terrorists. In the hundred days since the beginning of Palestinian self-rule in the district, the number of shooting incidents has been not nine, as reported by the press at the time, nor 39, as reported by the army following the murder of Ron Sovol by Gaza terrorists last week. Altogether there have been 66 shooting incidents and 63 incidents of sabotage against Israelis in the Gaza District since the beginning of self-rule.

The army, deprived of the intelligence it could collect when it was inside Gaza, and unable to pursue the terrorists into the self-rule areas, is relatively helpless. The Palestinian police, when not actively supportive of the terrorists, are indifferent. Having no orders to act against them, they let Hamas cadres carry arms and train openly.

That the government would rather belittle these developments is understandable. They do not reflect well on the agreements with the PLO. But that a majority of incidents — those that end with no serious injuries — are not reported at all is a violation of the most basic democratic norms. The public may not have the right to know everything, but it certainly has the right to know where and when terrorists attack Israeli citizens. That the government permits itself to hide such facts is far more frightening than the attacks themselves.



The sacrificial offering

WHEN Ilich Ramirez Sanchez, better known as Carlos, was nabbed in Khartoum last week, he was found with a young Palestinian girl recruit from a Lebanese training camp. He had brought his new mistress with him from Syria, first sending his wife and daughter off to Venezuela "on holiday."

But there was something of greater importance to the French anti-terrorist squad sent to grab the arch-terrorist than evidence of his notorious philandering. It was the discovery that Ali Fallahian, Iranian "Special Action" minister, had personally sent Carlos on a mission to Khartoum.

Fallahian travels the world masterminding the international terror campaign conducted from Tehran. Recent results of his efforts include the destruction of the Jewish community's center in Buenos Aires and bomb attacks in London.

A French source told us: "We were given the information about Carlos's whereabouts by the CIA in January, after President Clinton and Syria's Hafez Assad met in Geneva. Assad had offered Clinton Carlos's head as a gesture to persuade the US to remove Syria from the list of countries supporting terrorism. His second demand was US pressure on Israel to return the entire Golan Heights to Syria within 90 days."

Once Carlos realized that his "friends" Assad and Fallahian had sold him out, he wanted vengeance. He told his captors that his job in Sudan was to monitor training by a hit-to-unknown terrorist unit called Allahu Akbar (God is great) based in an old fort outside Khartoum.

Carlos has refused to go into detail until his jailers are ready to make a deal. But Western intelligence agencies, aided by satellite spy cameras, have focused on this elite terrorist unit.

We were told by an intelligence expert in Paris: "It's no secret that the Sudan, funded by Iran, is today's major center for training Hamas, Hizbullah, Islamic Jihad and Egyptian and Algerian fundamentalist recruits. The most intelligent, versatile and fanatical candidates are creamed off to join Allahu Akbar. We suspect that they assassinated Egypt's president Sadat and Bashir Jemayel, the Lebanese Christian leader. They led the group which came close to killing George Bush on a visit to Kuwait after the Gulf war."

URI DAN
DENNIS EISENBERG

"Heading their hit list are Yasser Arafat and King Hussein, both condemned to death for their 'treachery' in dealing with Israel. Targeted too are Jewish and Western personalities considered infidel traitors to Islam (Iranian style). One such man is French Interior Minister Charles Pasqua, currently cracking down on extremists among France's

Hafez Assad made Clinton an offer: Carlos's head on a plate in return for the Golan Heights

three million-strong Moslem population. The imams of Iran repeatedly condemn him in their Friday sermons, in speeches and in the press."

The plot to offer Carlos up as a sacrificial lamb to the US was hatched by Fallahian and Assad. And Carlos, lulled into a sense of security after being offered the chance of carrying out the "greatest of all his exploits" as the boss of Allahu Akbar, flew happily off to Khartoum from Damascus, his new young mistress at his side.

In reality, he wasn't needed in Sudan. He was sent to Africa to avoid the appearance of Syria and Iran being involved in his betrayal. The Sudanese gave him a royal welcome. Their subsequent claim that they were unaware of his presence was a naive attempt to persuade the world that they have no truck with terrorists.

CLINTON was sufficiently swayed by Assad's offer to surrender Carlos to declare that a "strategic change" had come about in Syrian thinking. He overlooked the fact that Carlos had lived in Damascus for many years, training terrorists. He was linked to at least 10 different Arab extremist groups, including the men responsible for the Pan Am bomb explosion over Lockerbie in Scotland.

Carlos was not involved in the massacre of the Israeli athletes in Munich in 1972, but the Mossad

knew how committed he was to Arab terrorists like Wadi Haddad, whom he admired deeply. Carlos and Haddad together planned and put into action the hijacking of the Air France plane to Entebbe. The Israelis, like other Western security services, had tried hard to track Carlos down, with no success.

We were told by an American security expert: "Clinton didn't want the hot potato of Carlos to deal with. He was offered to the French as a goodwill gesture in view of the dramatic change in Paris's traditional appeasement policy toward terrorism, exemplified by the tough policies of Pasqua."

Assad and Fallahian, knowing how desperately the French needed a major coup to win back public confidence, drove a hard bargain before delivering the goods.

Fallahian's first successful demand was that France reschedule Tehran's \$800 million debt to Paris. He also wanted the release of several jailed Iranian terrorists, including the assassins of Shahpur Bakhtiar, former Iranian prime minister previously granted "safe" asylum in France.

When Prime Minister Rabin learnt about this deal, he pleaded with Mitterrand, asking him not to release these killers until the Iranians freed missing Israeli navigator Ron Arad.

There were bitter protests too from several European governments. They and Rabin were brushed aside by Mitterrand, who declared: "This is a matter of supreme national interest."

The "supreme matter" was Carlos's head delivered on a Sudanese cushion, and the Iranian killers were released and flown back to Tehran. As the French balked at the endless Iranian demands, Fallahian showed that he was not a man to be trifled with. Several French diplomats and civilians were murdered by terrorists in Algeria.

The deal was hastily finalized — including a cash reward of \$1 million to smooth the way with Sudanese police and army officers. The French said they would do their best to persuade the US to remove Syria, Iran and Sudan from the list of official supporters of terrorism. To date, Clinton has resisted this demand firmly.

The writers are authors of Carlos: Terror International.
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Duck!

GREGORY BENFORD

LAST month's Jupiter fireworks struck a clear, vibrant chord in the public. Here was disaster, drama, danger. Chunks of Comet Shoemaker-Levy 9 vaporized in fiery moments. Could that happen to us? Sure — in fact, it has happened to Earth before.

About every century, somewhere on Earth a meteor strikes with impact comparable to a nuclear warhead. The most recent, in 1908, fell near the Siberian Tunguska River. It vaporized with an immense bang audible a thousand miles away, killing no one.

In 1972, a rock came breathtakingly close. It skipped across the upper atmosphere above the US, a bright trail picked up on radar and witnessed by hundreds. It had to be at least 25 meters across to make such a trail, skimming like a flat rock span across a pond by a cosmic child — then gone. Since then, there have been two other recorded near-misses.

These were small compared with the mountain-sized monsters that strike Earth roughly every hundred million years. One such probably ended the reign of the dinosaurs. At least 28 craters greater than 16 km. across pock our planet, records of previous hits.

Are there many of these asteroids still gliding silently in the darkness? Plenty — at least 2,000, of which we have spotted fewer than 200. A mile-wide stony asteroid could destroy civilization. Its debris

Could an asteroid strike Earth? Sure — it's happened before

would cloak the globe in dust, shutting off sunlight for years, starving a large fraction of humanity. Are such fantasies worth worrying about?

Here statistics collide with our emotions. After all, such colossal impacts are very rare; why bother?

Surveys show that people regard risks rarer than the proverbial one-in-a-million as too small to bother with. Asteroid danger is at this level. Still, statisticians forget that we do not feel through numbers. Studies show that people thinking about risk shrug off dry data, heavily favoring two emotional factors. They ask: Is it dreadful? Is it unfamiliar?

Asteroid impact is both. Dreadful means huge, uncontrollable, with high risk to future generations. The unknown nature — we haven't thought about this before, and one could be heading for us now — heightens our sense of threat.

CERTAIN POLICY mavens have already decided congressional funding to search for asteroid threats. They clearly see a one-in-a-million chance as beyond the pale. Far better to spend the money on, say, Bosnia.

Such thinking may be wrong; the sheer drama of such calamity will drive public policy to take the threat seriously.

People speculate about dangers, and then quite quickly take the next step. Suppose we do find a collision in the offing?

The US has already spent a trillion dollars developing the tools that can kill an asteroid — the hydrogen bomb and the liquid-chemical rocket. With a year's warning, it could rendezvous a warhead near the offending rock. A many-megaton explosion could propel it sideways, using a "rocket effect" in which gas boils off the heated face. The new trajectory would miss Earth entirely. Quite possibly, the US could save the world for a few billion dollars.

Into the bargain, from the early scientific study alone, we would get a detailed inventory of possible asteroid resources open to us in the inner solar system, mostly metals. Uplifting the bulk of humanity from poverty, where a paltry \$200 can save a starving child, will demand resources far beyond those we know. Already, metals are getting harder to scrape out of the Earth's crust, with severe environmental effects. Someday not far off, mining asteroids may be as important as battling them aside.

Jupiter's agony has illuminated our own predicament and opportunity. For many, NASA is a synonym for boring. A search for civilization-killing monsters a mile across is both dramatic and, in the astronomical scale of budgets, inexpensive. The American public will support it, intuitively sensing its importance.

The House of Representatives has already voted to require NASA to track asteroids whose orbits might intersect Earth's. Seizing this opportunity with some fanfare would be smart public relations and smart science.

Also, for once we humans would be defending the entire ecosphere, not just ourselves. Like it or not, we are the sole stewards of our world, in all its rich abundance. The dinosaurs were once, too — but look what happened to them.

The writer is a professor of physics at the University of California, Irvine and co-author, with William Rostler, of Shiva Descending, a novel about an asteroid hitting Earth.
(Los Angeles Times)

LETTERS TO THE EDITOR

INTERTEMPERATE LANGUAGE

Sir, — Yosef Goell states that the idea that Rabbi Moshe Maiya should have any part in deciding what is taught in secular schools "is an abomination" ("Rabbi forgetting secular sensibilities," J.P., August 5). Surely this is unnecessarily intertemperate language? However little we like the haredi approach, it is entirely commendable that Rabbi Maiya is also concerned with the Jewish content of the education of secular Jewish children. We should all be concerned for each other, and for all Jewish children.

Is the idea that secular children might be taught some of the traditions of their people so terrible? What is so "abominable" in covering the head when studying the Bible? Would it not be a useful lesson in courtesy, and respect for the feelings of other members of the Jewish people? Does

INTEMPERATE LANGUAGE

Goell really want to continue educating Israeli youth to have no knowledge of, or respect for, the age-old traditions and customs of our people? The secular majority here is in great danger of throwing the baby out together with the bathwater.

Our society would be healthier and more pleasant if it were indeed possible for Shulamit Aloni to address a yeshiva on women's rights. We should all try to learn more about, and to respect, each other's viewpoints. Our leaders should be trying to heal our rifts, not to deepen them. The fact that the haredim often make themselves objectionable is no reason for the secular majority to do likewise. Someone has to set a good example, and it should be for the majority to begin.

Rehovot.

JUDITH WYNICK

AUTHOR'S REQUEST

Sir, — I am looking for Holocaust survivors from Poland, as well as Jews who returned to Poland following their release from Soviet gulags after World War II, to come forward and bear witness both to the persecution and/or killings that they and their friends, relatives and fellow Jews suffered at the hands of a segment of the

Polish people after World War II. This information will be included in a book I am writing on the subject.

NORMAN SALSITZ

9 Craig Road
Springfield, NJ 07081
US.

DISSATISFIED

Sir, — How I long for the editorship of the late Gershon Agron who at least knew right from wrong, unlike your David Bar-Illyan who always listens to his master's voice and to the know-nothing professors of Bar-Illyan

University. However, this is a free country, especially for the money-bags that control the written media.

DAVID SEGAL

Ramat Hasharon.

CANADIAN

DISCRIMINATION

Sir, — I was outraged at the news that Canada had placed Israel fourth on a list of countries from which refugees seek asylum.

Of all countries, Canada! I had the singular misfortune to accept an invitation while still in the RAF to go to Toronto as a skilled aircraft engineer following my demobilization in 1947. There, after months without employment, due entirely to anti-Jewish discrimination, and down to my last few dollars, I was forced, as a temporary measure, to change my name.

On the day my new, non-Jewish name came into effect, I was accepted by the three prospective employers to whom I was sent by the employment exchange. Had I not changed my name, I would have been forced to borrow funds for a return passage to England or join family in the United States — in effect, as a fugitive or refugee! In any case I lost no time in leaving Canada and resuming my identity.

My name-change was suggested and implemented by the young woman who was then head of the Toronto employment exchanges. Unknown to me, she had been monitoring my unique lack of progress in a market suffering an unprecedented postwar labor shortage. She resented to me that she was a French-Canadian man-quarantined as an establishment Scottish Presbyterian in order to avoid the inevitable discrimination.

Ramat Gan. SOLOMON JACOBS

POSTSCRIPTS

THE ROYAL VIKING Line of cruise ships treasures its passengers, and would never take the slightest risk to endanger their safety. That's why they recently canceled scheduled ports of call in Ashdod and Haifa.

A reader in Herzliya Pituah forwarded a fax sent to him by the company's head office in Coral Gables, Florida. "I would like to stress that the safety and well being of our passengers is our highest priority," the fax reads in part; "... As advised by the US State Department and confirmed by our sources in Israel, it was decided that we would not call on the port of Haifa, May 30, or Ashdod, May 31."

Mind you, the company maintained scheduled calls at ports in Tur-

key and Spain, where tourists are declared targets of terrorist groups.

A THREE-YEAR-OLD boy with a knack for tickling and giggling had the winning entry in a frog jumping championship.

Cody Shiffs of Roseville, California, won \$750 and a trophy taller than he is at the Calaveras County Jumping Frog Jubilee.

The youngest winner of the 66th annual amphibian contest had little to say: he just kept giggling. Cody made the crowd laugh when he was asked how long he had been jumping frogs.

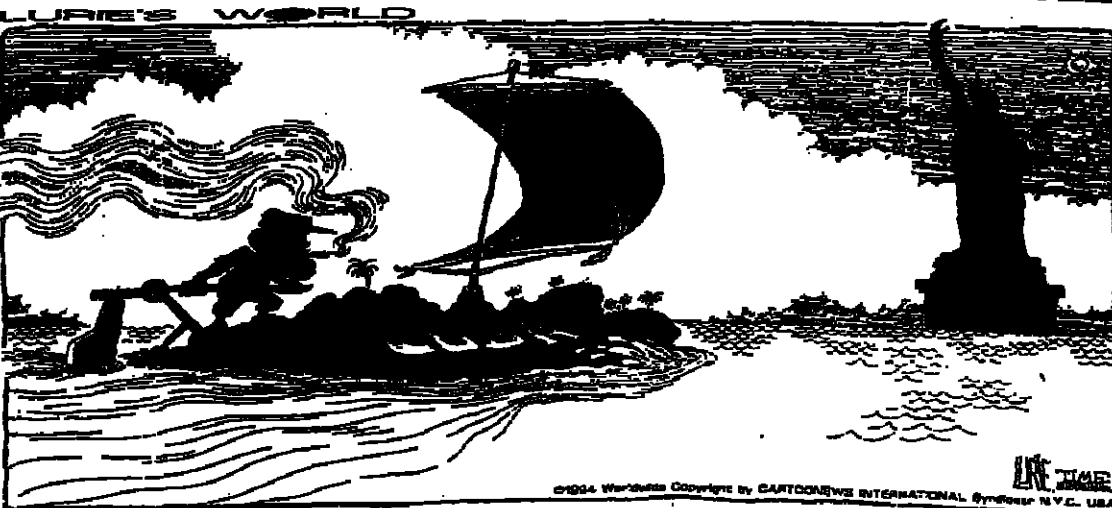
"Three years," said the three-year-old, who is 11 years younger than the previous youngest winner.

Proud poppa Pete said his son has a way of making frogs relax. "He rubs their legs, starting at their hips and running right down their legs," he said. "He holds their toes pretty tight. And he tickles their hind legs."

SEX-PHONE lines may be the rage in other countries, but in Iran the latest telephone service features recitations from the Koran.

Tehran residents can now dial 114, then punch the chapter and verse number to listen to one of the best Iranian Koran reciters go through their favorite part of the holy book.

The phone number was chosen because there are 114 chapters in the Koran.



How to deal with holidays, now I'm separated?

DEAR RUTHIE
RUTHIE BLUM



Dear Ruthie,
My husband and I separated a few months ago, and this will be my first year celebrating the holidays as a single parent.

My husband's family wants to have the children with them during the holidays. I don't want to be without the kids, but my own family is abroad, and so it would be just the two children and me for our holiday meals. This seems a bit lonely for all of us, and I don't know how to solve the problem. I was hoping you could.

Melancholy
Givatayim

Dear Melancholy,
Fortunately—or unfortunately—there are many holidays coming up. This means that you don't have to choose either one or the other of your alternatives.

The three of you could be together half the time; the rest of the time, the children could be with your husband's family. If loneliness is troubling you, try inviting friends who may not be committed elsewhere. As soon as you begin to do this, return invitations will undoubtedly be forthcoming.

Dear Ruthie,
Your closest friend is very rich. She and her husband, though not particularly bright or interesting, are in high demand socially, whereas my husband and I have to initiate events. I am often envious of her in a way I don't like.

Can you stay friends with someone you're envious of? And why are people so drawn to others' money—even when they aren't getting any of it?

Green over Greenbacks
Somewhere in Israel

Dear Green,
If you can figure out why someone "not particularly bright or interesting" is your closest friend, you might understand why others are drawn to her.

Power has magnetic qualities often hard to pinpoint. Wealth is just one form of power. Intellect, wit and beauty are others.

Sadly, the other side of mesmerization is often envy. Whether you can remain friends with someone you are jealous of depends on how much you're suffering.

It isn't improbable that your friend envies you in some way, too. Such is the nature of human relations.

Dear Ruthie,
Before leaving for a business trip abroad, my wife gave me instructions to purchase a Rosh Hashana gift for her parents.

It is to cost around NIS 300. I am terrible at choosing gifts, and can't think of anything her parents need. Help!

In a Find Bind
Jerusalem

Dear Bound,
When in doubt, go for the gift-basket idea. Look for an attractive, good-sized tray or bowl, and fill it with chocolates, or fruit and nuts.

The container can be used after the contents have been eaten, and the whole package is an attractive present for any household—even one which "has everything."

Letters should be addressed to: 'Dear Ruthie,' POB 81, Jerusalem 91000.
(Ruthie regrets not being able to guarantee publication of every letter, but will answer every letter received.)

Evangelical trend reaches rural England

DAMIAN THOMPSON
LONDON

THE phenomenon of churchgoers falling to the ground during prayers is spreading across Britain's evangelical Christian community, leaving churches littered with the bodies of people utterly convinced that they have been "slain by the spirit."

The so-called "Toronto blessing," which originated in Canada and apparently makes the meek fall down, cry, laugh or speak in "tongues," has now reached rural England.

Tales of miraculous healing also abound and evangelical leaders are talking excitedly of a religious revival on the scale of Methodism in the 18th century.

In a remote hillside chapel in the village of Bream in the west of England last week, normally staid Anglicans fell like ninjamen as their vicar, the Rev. Alistair Kendall, his hands trembling violently, called down the power of the Holy Spirit.

Other worshippers waited to catch them as they slid backwards. But there was none of the American-style razzamatazz which normally accompanies such dramas.

Most of the middle-aged worshippers smiled sheepishly as they picked themselves up off the floor and returned to their seats as if nothing had happened.

"They are not emotional types," said Kendall. "One of the strange things about the falling down is that it often happens to the least likely people."

Kendall said: "When it started happening a few weeks ago, I am sure some people fell simply because other people did; we had ladies hastily adjusting their dresses as they went down. But now everyone seems genuine."

"We don't know why God is choosing to make himself available in this way. All we know is that this thing is moving from place to place—and now it has reached us."

Helen Terry, who spent the end of the service laughing quietly on the chapel floor, said she was extremely skeptical when she first encountered the phenomenon. "I thought it was a load of garbage, actually," she said.

"Then I found myself on the ground. I don't even remember falling over. I was twitching and crying and I ran out of the church. It was most frightening. Since then, it has happened again and again."

The phenomenon, which first manifested itself in a Toronto church in January, made its British debut at Holy Trinity, in London's South Kensington.



Donna Zeigfanger with books for vegetarians and ecology-conscious travellers: 'I saw a market out there.' (Washington Post Mary Lou Foy)

A vegetarian vacation? Sure

TRAVEL
CAROLE SUGARMAN

Donna Zeigfanger is a book-keeping agent for the bean-sprout set. There she is on the phone at All Ways Travel in Bethesda, Maryland, making an airline reservation for a 2.13-meter-tall Seventh Day Adventist minister who is a vegetarian. It's all in a day's work. These days, most of Zeigfanger's work is for vegetarians, from the casual to the militant.

After the minister's reservation is made, a woman wants names of vegetarian health spas. Animal-rescue workers need the cheapest fares to flooded Georgia. An all-vegetarian family is looking for a meatless cruise of Greek islands.

"I saw a market out there," Zeigfanger says simply. Anybody can order a vegetarian meal on a flight to Spokane, Washington. But when it's Zeigfanger who's sending off the airline ticket, the traveler also gets a list of local vegetarian restaurants. Zeigfanger also suggests hotels that will be the most accommodating.

What she provides is a sensitivity to and an awareness of what's available for the toff-bent traveler. That's because for the past 11 years Zeigfanger herself has been a vegan, shunning both meat and dairy products. "Nothing that ever had a face," she says with a laugh, then corrects herself. "Well, potatoes have eyes. Nothing that ever had a mama."

Zeigfanger stopped eating animal products for ethical reasons; she also won't wear leather shoes and asks that a photographer not take her picture sitting on a leather chair. Still, the striking 37-year-old with Caribbean-colored eyes at least has a sense of humor.

She jokes that she's able to have an Imelda Marcos-sized closet of footwear, since man-made materials are so much cheaper than leather, and describes herself as "the only weird one" who works at the travel agency, where her desk is cluttered with animal trinkets.

The animal touches are no accident: Zeigfanger worked at an animal shelter before becoming a travel agent seven years ago. She thought the travel business would be a "more uplifting" job.

Before that, she was a dog groomer, something she still does at night. In fact, some of the dog owners are her travel clients.

Zeigfanger can offer first-hand advice, at least for the places she's visited.

Her toughest trip? Alaska. She had to eat frozen vegetables. Easiest? Belize, because of the country's large Asian and Indian populations.

Most surprising find? A vegetarian menu at a "redneck truck stop" near the Grand Canyon.

It's getting a lot easier to find meatless and even dairyless choices, particularly at large hotels and in metropolitan areas.

Wherever you are, Zeigfanger says, the hotel concierge should know of a local health-food store, which is always a good source for locating vegetarian restaurants.

And many cities and countries have their own vegetarian societies; Zeigfanger located a vegetarian society in a Costa Rican newspaper and she recently wrote to such a society in South Africa.

What's more, Zeigfanger has found that carnivorous places will usually be accommodating so long as you call ahead. A few years ago Zeigfanger asked the Homestead, a Virginia resort hotel, to prepare a vegan cake (remember, no eggs or butter for vegans) for her birthday. And three years ago she had a Holiday Inn in Alexandria, Virginia, prepare an all-vegan menu for an animal legal-defense-fund conference she had booked. She even faxed the chef recipes.

Plus, there is literally a whole world of resorts, vacation packages, bed-and-breakfasts, computer databases and specialty publications catering to the vegetarian traveler. It makes sense, given the growing number of vegetarians

and the many people who are eating less meat.

There's a vegetarian sailing cruise off the coast of Maine, women's wilderness canoe trips in Montana and a shelter for abused farm animals in Watkins Glen, N.Y., with a bed-and-breakfast (vegan breakfast included).

Royal Caribbean Cruises offer a vegetarian menu, including tempura-fried broccoli and eggplant garnished with snow peas and oriental noodles served with sweet-and-sour sauce. Even Walt Disney World sells vegetarian burgers these days.

It's not hard to get a vegan meal on an airplane, either. Practically every airline offers both vegetarian and vegan options so long as the reservation is made at least three days in advance, according to Zeigfanger. (The animal-rescue workers headed for Georgia in a hurry had to pack their own.)

In fact, Zeigfanger used this to her advantage last May during a fare war. Because of the high volume of reservations being made, the computers often got overloaded, and All Ways wasn't always getting confirmations back from the airlines.

So Zeigfanger booked everybody with a vegetarian meal, since special meals, wheelchair reservations and other individual requests are much more likely to trigger airline confirmations. It worked. (Washington Post)

Visiting the people-eating capital of the world

BOOKS
ALEXANDER FRATER

CONVERSATIONS WITH THE CANNIBALS: The End of the Old South Pacific, by Michael Krieger. The Ecco Press. 291 pp. \$23.

MY father, a doctor in the 1930s, once ate human flesh.

Back in the 1930s he had called on a remote Big Namba village on the Vanuatu island of Malekula. (Namba is the term for a penis gourd, rival tribes being known by the dimensions of these accessories; the Big Nambas were given to more aggressive fashion statements than their modest rivals, the Small Nambas.) He found a feast in progress and had meat pressed upon him. Fig, his hosts said, but this stuff possessed a sweetness, faintly cloying taste unlike any pork he had sampled before.

It took him only a moment to guess its origins—confirmed by the evasive looks and nervous laughter of his hosts. After being violently ill he left hurriedly and, for years afterward, was too traumatized to talk about it.

Nobody has been cooked and consumed on Malekula since World War II yet, so ferocious was its reputation that even today, half a century later, it is still regarded as the People-Eating Capital of the World. When I came

upon Michael Krieger's new book I knew with certainty that he had been there and met with the Big Nambas. And so it proved.

Four toothless old men gave him a remarkably frank interview. They described trying their victims to a tall wooden spit drum and beating them with heavy clubs, continuing long after life was extinct; the objective was to smash the bones and tenderize the meat—although certain small bones from the hand were preserved to be sharpened later and made into spear tips. The heads were cut off and thrown away, as were the intestines, heart and liver. The edible parts were wrapped in banana leaves and left to steam gently overnight, in an earth oven. A single victim, traditionally served up with a batter of crushed yams called "laplap," could feed 10 warriors; although women did the cooking they were not entitled to share the feast. Perhaps by way of compensation, women on Malekula were not eaten.

Elsewhere, though, they were. Krieger undertook a long trek to meet "the only surviving practitioner of cannibalism in the Solomons." Timothy, more than 100 years old and almost blinded by trachoma, nevertheless possesses a serenity that impresses Krieger.

The old men are the only cannibals we hear from. Yet their testimony so impressed Krieger that they managed to hijack his title, if not his book—most of which is about Pacific Islanders who eat nothing more sinister than chicken, fish, vegetables and canned bully beef (the last was said to be favored by old cannibals for its resemblance to human meat).

Krieger homes in on a handful of isolated communities, taking up temporary residence and observing everything in intricate—and, at times, obsessive—detail.

He visits Palmerston in the Cook Islands, settled in 1863 by an itinerant Englishman named William Marsters. Marsters and his three wives produced 20 children, 2,500 grand- and great-grandchildren, a further 3,000 great-grandchildren. Only 60 or so actually live on the island today, led by the mysterious Rev. Bill Marsters, who runs the place like a personal fiefdom, tyrannically exploiting his fellows.

In Vanuatu he meets members of the John Frum sect, founded in the belief that Frum, "King of the

USA," would one day fly in laden with dollars and Western consumer durables. (Today the Frummers, grown more sophisticated, no longer crawl "under an airplane to determine its gender.")

In Tuvalu, one of the world's poorest countries, he finds a society that is virtually crime-free. In 1987 there 11 thefts reported nationwide. Unemployment may run at a staggering 89 percent, yet the good-humored, tranquil Tuvaluans exist in a state of grace that is starting to attract attention in the outside world.

The book's high point is a remarkable journey through a mountainous island in the Solomons to meet the Kwaio, a tribe once regarded as the most dangerous and duplicitous in the British Empire. Kwaio means "I will kill you" and that is what, as recently as 1987, they were still doing to trespassers in their Stone Age domain. Even the Solomons Islands police must seek permission from the Kwaio to enter; usually, it's refused. The tribe has been outcast for much of the century, and, plainly, elect to remain so today.

Krieger went to see them, surviving a hair-raising trek. Yet the Kwaio turned out to be welcoming and amiable and, surprisingly, scrupulous payers of taxes; each

Side by side with the famous—and dead

INTER ALIA
MARTHA SLUD

WANT to spend eternity in the company of a president, rubbing elbows with a music star or in the neighborhood of someone like Marilyn Monroe?

There's space available—for a price. A Richmond, Virginia, woman recently spent \$9,000 for six grave sites atop a shady, serene hill in Richmond's historic Hollywood Cemetery.

She'll share Hollywood's 54 pastoral hectares (135 acres) with US presidents John Tyler and James Monroe, and Jefferson Davis, the only president of the Confederacy, the government established by the Southern states after their secession in the 1860s.

The woman—whom her lawyer, C. Hobson Goddin, declined to identify—answered a newspaper advertisement in May from a man who wanted to cash in his space in a nearly 150-year-old section of the cemetery.

Burial sites near other big names are available if you search hard enough, said Stephen Morgan, executive vice president of the American Cemetery Association.

For \$10,000, there's a four-space lot about three meters from the grave of country music star Hank Williams at Oakwood Annex in Montgomery, Alabama, said Charles Graham, the cemetery's general manager.

Some of the most-sought sites surround Marilyn Monroe's wall crypt at Westwood Memorial Cemetery outside Los Angeles. "You can get within a number of feet," cemetery manager Barbara Parker said. "But most people who ask are fans who couldn't afford it."

Grave sites at Westwood begin at \$15,000 and spaces near Monroe's crypt cost many, many times that, she said.

"The Lady in Black," who annually visited the mausoleum of silent film star Rudolph Valentino at Hollywood Memorial Park Cemetery in California, couldn't get a spot in the mausoleum when she died a few years ago and was buried about 90 meters away, said Greg Smith, owner of Grave Line Tours, which provides maps of Tinseltown's tombs.

Smith said that a few years ago he helped a friend find an open spot at Forest Lawn Memorial Park in Hollywood Hills about 2.4 meters from the ashes of Lucille Ball. (AP)

If you can't get to a Supersol store, you can still help make the holiday festive for the needy elderly by participating in the "Hag Sameah to the Elderly" campaign. Send your contributions (NIS 13 per bag) directly to The Jerusalem Post Forsake Me Not Fund, and we will purchase the bags for you.

Checks should be sent to the Forsake Me Not Fund, P.O.B. 81, 91000 Jerusalem.

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BUSINESS & FINANCE

THURSDAY, AUGUST 25, 1994

Finance Ministry releases budget proposal details
Treasury to suggest NIS 793m. in cuts 28 structural reforms offered

JOSE ROSENFELD

THE Treasury will propose NIS 793 million in budget cuts for next year, including a 2 percent reduction in the government work force and lower job advancement expenditures.

According to a Treasury document distributed to cabinet members yesterday before Sunday's final cabinet debate on next year's budget, 630 government full-time job slots and 2,430 work-months of part-time employment will be eliminated. The move is expected to save NIS 50m.

Finance Minister Avraham Shohat has said previously that such cuts would not require any firings and could be accommodated by normal employment attrition.

In addition, the Treasury is proposing to lower the growth rate of job advancement expenditures, such as grade increases, car allowance increases and overtime pay, by 1%, which will save NIS 150m. The Treasury will also take steps to limit such increases throughout the public sector.

The Treasury will save an additional NIS 120m. by lowering the number of expected new immigrants from 80,000 to 70,000. Should more than 70,000 immigrants arrive next year, the government will guarantee that the necessary funds be made available.

The education budget will be cut by NIS 125m. by stretching payments for classroom construction by a year, which will save NIS 95m., and by reducing funds for school security, which will save an additional NIS 30m. School security funding has been the joint responsibility of the Education Ministry and local authorities

based on a 1993 emergency regulation which has expired and has not yet been renewed by the Knesset.

The Treasury proposes to reorganize the tax licensing process by increasing the number of available licenses and by raising the licensing fee from \$20,000 to \$50,000. The change is expected to bring

revenues of NIS 150m.

Under the proposal, the government will issue 1,500 tax licenses next year to make up for the previous two years when no new licenses were issued. Currently, given the shortage of such licenses, a tax license owner can sell a license for about \$80,000. The Treasury expects the changes

to lower tax fares, improve service and reduce road congestion. After next year, the government will issue 500 taxi licenses a year, reducing the fee by 3% every year until it returns to \$20,000.

The Treasury also wants to cut ministries' purchasing budgets across the board by 0.72%, a move which will save NIS 50m. next year. In addition, Amidar will repay the government NIS 50m. as part of its debt to the state.

The Treasury will propose cutting water subsidies to farmers and businesses by NIS 34m. This will mean a 7% increase in water prices to farmers from 50 agrot per cubic meter to 53.5 agrot. Water prices for businesses will rise from 69.7 agrot to 83 agrot per cubic meter. The proposal will eliminate altogether subsidies to business by 1996.

The Finance Ministry proposes to eliminate its subsidy of 2.75m. tons of strategic oil imports from Egypt and Norway, saving NIS 24m. The government already decided in 1992 that strategic oil imports are not necessary and instead it will buy two oil tankers to ensure the country is supplied during emergencies. The Treasury document notes that since oil imports from Egypt are commercially worthwhile, it is almost certain the volume of Egyptian oil purchases will not fall due to the program's elimination.

The Treasury wants to impose a frequency user fee on cable television companies that will match the fee paid by other frequency users. This change will bring an additional NIS 20m. in revenues.

THE Treasury's budget proposal for next year includes 28 structural reforms aimed at increasing the economy's competitiveness, lowering the cost of goods and services and improving the public sector's efficiency.

To eliminate non-tariff barriers (NTB) on trade which protect local producers from foreign competition, the Treasury proposes to amend product standard legislation ensuring that official standards will only be set to protect public health and safety or the environment.

The new law will allow the importation of products that meet the standards set by developed nations, without requiring the products to meet local standards. Moreover, regulations affecting imports will be minimized for only those that protect health, safety and the environment.

An interministerial committee headed by the Ministry of Industry and Trade will be responsible to recommend a reform program which will ensure that product standards only meet the new requirements and their criteria will be transparent.

The Treasury also proposes to eliminate NTBs on food product imports and replace them with protective duties. Although according to the government policy of opening the local market to imports, licensing has been eliminated as a means to protect local products, agricultural products have been exempted from the requirement.

The Treasury claims that in light of the GATT agreements calling for eliminating NTBs from food and agricultural imports and the success of the program of opening the local market to industrial im-

JOSE ROSENFELD

ports, the country must change its approach to food and agricultural imports.

The Treasury will recommend to legislate proposals included in the Swary report on local government financing reform. Based on those reforms, the government has promised to transfer NIS 1.2 billion in 1994 through 1995 to finance the localities' gaping budget deficits. In return, the law will set reporting rules on the localities and give the central government power to intervene and even take over the management of the fiscal affairs of those that fail to live within its means.

The legislation will also set up a credit framework for the localities and will establish clear criteria based on population and socio-economic conditions for the receipt of Interior Ministry grants. This reform is aimed at curbing the chronic deficits and fiscal anarchy that have characterized local government finances.

The Treasury also proposes to eliminate the Israel Electric Corporation's monopoly and instead of renewing its concession over the production of electricity, which expires in March 1996, recommends issuing the IEC several licenses for the production and distribution of electricity which will allow for competition.

To encourage the use of public transportation and reduce traffic congestion, the Treasury is proposing to build a lane that will be exclusively used by public transportation and private cars with large numbers of passengers. The lane will be built on any road

which has three lanes going in one direction, if it is economically efficient. The Treasury has already identified three possible roads: Nami Road in Tel Aviv - from the Petah Tikva Road intersection to the Ramat Aviv intersection; the section of Road 44 between the Beit Dagan intersection and the Holon intersection, in both directions; and Jabotinsky Road in Petah Tikva, from the city center to the Gela intersection, in both directions. The Treasury has provided the Transportation Ministry with an additional NIS 100m. for this project.

The Treasury is proposing to turn the absorption basket grant into a conditional grant, which will be treated as a forgiven loan after a specific length of time as is the case with the immigrant customs grant. The Treasury notes that since the beginning of the large immigration wave from the former Soviet Union, about 30,000 immigrants have left the country. These figures relate only to immigrants who left with Israeli travel documents and do not take into account immigrants who hold other passports and have left the country. The absorption basket will cost NIS 456.8m. next year.

The Treasury is also proposing to eliminate the payment of living expenses by the Absorption Ministry for immigrants who have been unable to find employment and instead require the National Insurance Institute to provide the income insurance. The proposal is meant to eliminate existing duplication. NII income insurance payment are 10% higher than living expenses payments, but its qualifying standards are tougher.

New spending to help defense, kibbutzim, Kupat Holim

NEW spending totaling NIS 2.393 billion will be included in next year's budget to help cover financial assistance to kibbutzim, the defense industry and Kupat Holim Clalit; the redeployment as a result of the autonomy agreement; and changes in spending priorities, according to Treasury budget documents released yesterday.

The Treasury is proposing to grant kibbutzim NIS 350 million, the first installment in the second kibbutz bailout arrangement totaling NIS 5.8b. The money will primarily cover the NIS 600m. owed by newer kibbutzim, which were not included in the first arrangement. The Treasury is setting only NIS 298m. aside to cope with the financial crises of Kupat Holim and the defense industry next year. Although the National Health Insurance Law is expected to add NIS 1b. in revenues to Clalit, the service on its debt will be NIS 280m. In addition, the original cost of the defense industry's rescue program was recently updated to over \$1b. in the next few years, instead of the \$850m. originally planned. Nevertheless, the Treasury is planning to stretch out the assistance to these sectors over the next few years.

The Treasury also wants to increase the Housing Ministry's budget by NIS 189m. with the authority to obligate up to NIS 363m. and provide credit of NIS 40m. to assist the needy. The ministry will receive an additional NIS 101m. with the authority to obligate NIS 439m. to expand available housing.

The Treasury is proposing to raise the Ministry of Industry and Trade's budget by NIS 410m. with the authorization to obligate an additional NIS 120m. to expand its investment activities.

Bank Tefahot reports 12.2% rise in profits

GALIT LIPKIS BECK

TEFAHOT Israel Mortgage Bank, a subsidiary of United Mizrahi Bank, completed the second quarter with a 12.2 percent rise in net profit to NIS 22.45m., from NIS 20m. in the corresponding period last year.

In the six-month period, Tefahot's net profits rose 15.3% to NIS 44.84m., from NIS 38.88m. The first-half earnings are equivalent to an annual net return on shareholders equity of 16.1%.

Tefahot's managing director, Uri Wurzbarger, said the rise in profitability reflects rapid growth in the bank's credit portfolio and the implementation of efficiency measures.

Profit from financing activities before provision for doubtful debts rose 3.5% to NIS 50.71m. Provision for doubtful debts rose to NIS 4.97m., from NIS 3.37m. last year.

Total operating and other income increased 13% to NIS 21.85m. while operating and other expenses increased 7.4% to NIS 34.08m.

The bank's total assets grew to NIS 14.01b. at the end of the first half, from NIS 12.93b. at the end of 1993.

American Israel Bank, a subsidiary of Bank Hapoalim, yesterday reported a 37.6% rise in second-quarter net profits compared with the same period last year.

The bank ended the second quarter with a net profit of NIS 2.86m., compared with NIS 2.08m. In the first half of the year, American Israel's net profits fell to NIS 7.04m., down 9.5% compared with last year.

In the reported period, profit from financing activities after provision for doubtful debts rose to NIS 15.84m., up 27% compared with the previous year. Total operating and other income fell 11% to NIS 14.59m., from NIS 16.44m. Total operating and other expenses decreased to NIS 24.8m., compared with NIS 25.02m. in the second quarter of 1993.

Total assets fell 4.2% to NIS 2.6b. at the end of June from NIS 2.68b. at the end of 1993.

Harish raps suggested capital investment law changes

RACHEL NEIMAN

PROPOSED changes in the law for the encouragement of capital investment are not justified, Industry and Trade Minister Micha Harish said yesterday.

He suggested the current law, due to expire on December 31, be extended for three years.

Harish criticized the Treasury's proposal to lower grants to firms in development zones.

The proposal would lower subsidies to businesses in Development Zone A to 30 percent, from 38%, and in Development Zone B to 20%, from 25%.

Zone A includes the Galilee, Arava and Negev while zone B includes Jerusalem and surrounding areas.

Harish said the proposal's acceptance would create a conflict of priorities by reallocating funds into areas which do not encourage growth and may even step up inflation.

"The proposed changes by the Treasury represent another blow in a series of blows dealt to Israel's industry, export and growth."

Some of these blows, according to Harish, include higher interest rates, lower export profitability, higher raw material costs and low-

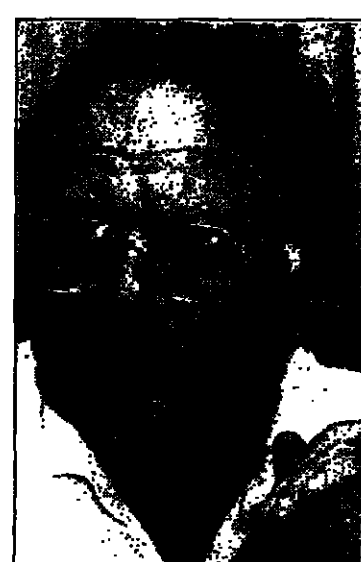
er stock exchange activity. Zones A and B suffer from high unemployment rates compared with the central area. Withdrawing subsidies at this stage would lower interest rates and increase unemployment in those areas, he said.

"The Treasury has recently been hinting to development town heads that the amount which would be saved by changing the law would be reallocated towards infrastructure in those areas," he said. [The Treasury] "hinted to industrialists it would compensate them in other ways in return for condoning the law."

The sum of these "temptations" he said, is in the NIS 100 million range, which is higher than savings resulting from the proposed changes in the capital investment law. The maximum amount saved by reducing the subsidy rate would be NIS 30m. for next year.

"It is clear the Treasury has no intention to allocate additional funds to what it had originally intended to give out," he added.

Harish said the 1993 Fogel Committee's recommendations for the law were only partially helpful. The committee had recommended reducing state investment grants and replacing them with employment grants, claiming



Harish: Proposed changes are another blow to Israeli industry. (Stein/Hanari)

that capital investment had a limited impact on employment and on foreign investment. "I do not accept the Fogel Committee's decision," Harish said.

He added that changing subsidy rates may make Israel less attractive to foreign investors.

Harish also said that local politi-

cal changes and higher market growth in the past three years, during which time foreign investors have reassessed their business strategies here, are reasons to keep the law intact.

In addition, the law would provide a sense of government stability for local and foreign concerns. Jose Rosenfeld adds:

Treasury officials said that the NIS 1.2 billion in grants the government spends annually is very wasteful since it goes primarily into investors' pockets and does not contribute to development towns growth. Even if a portion of the amount goes directly to upgrade the towns' infrastructure, their economic situation would change dramatically, they said.

The officials said the grant reduction will save between NIS 40m.-NIS 50m. next year, and about NIS 250m. over the following three years.

They noted that by offsetting the grant cuts with tax cuts, bringing corporate taxes down from 25% to 20% in Development Zones A and B, businesses will get a neutral benefit which does not discriminate against jobs by favoring capital investment. The grants are given against investment in plants and equipment.

Hapoalim, Arab banks ink pacts

BANK Hapoalim has signed joint cooperation agreements with several Arab banks in the territories and is in advanced negotiations with Jordanian banks, Hapoalim announced yesterday.

In an agreement with Arab Land Bank, Hapoalim will offer banking and clearinghouse services in shekels and foreign currency. The bank has already opened a branch in Bethlehem.

Hapoalim has also signed a pact with Jordan Gulf Bank, which recently opened its first branch in Nabulus, and with The Commercial Bank of Palestine, which opened its first branch in Ramallah.

Petition: Shavit can't serve on Karnit's board

EVELYN GORDON

SUPERVISOR of Insurance Meir Shavit should not be permitted to serve as chairman of the board of the Karnit insurance fund because of the potential for conflicts of interest, a petition to the High Court of Justice demanded yesterday.

The petition, filed by the Movement for Quality Government in Israel, also asked that attorney Michael Zeltner not be allowed to serve as both Karnit's managing director and Avner's legal adviser for the same reason.

Karnit is a government firm responsible for compensating uninsured road accident victims or victims of hit-and-run accidents. In essence, it functions as an insurance company, the petition said.

and is frequently engaged in disputes with either the victims or other insurance companies.

This creates a clear conflict of interest for Shavit, the petition argued, because in his role as supervisor of insurance, he is supposed to be protecting victims.

The conflict has become even worse, the petition added, since the introduction in July of a government bill meant to solve Avner's financial crisis. The bill, which Shavit adamantly opposes, is expected to hurt Karnit, the petition said.

The movement said it was unconvinced by the response of the Treasury's legal adviser: that since

Karnit serves as a "safety net" for accident victims who cannot get compensation from other sources, Shavit's two roles are actually complementary.

With regard to Zeltner, the conflict arises since Karnit is funded by Avner, the petition said. Again, the movement was not satisfied by the Treasury's assurance that Zeltner gives Avner legal advice only on general issues, and not on questions where a conflict of interest is likely to arise.

Though the movement asked the attorney-general to issue an opinion on both matters more than a year ago, he has not yet done so, the petition added.

Oil Refineries reports NIS 25m. second-quarter loss

COMPANY RESULTS

RACHEL NEIMAN

OIL Refineries reported a second-quarter net loss of NIS 25 million compared with a net profit of NIS 43m. during the same period in 1993.

Following the announcement, the share price of the firm's shareholder, Israel Corporation, fell by more than 8%.

Israel Land Development Hotels reported a sharp decline in second-quarter results with a net loss of NIS 3.7m., compared with a net profit of NIS 2.09m. in 1993. The company recorded revenues of NIS 31.9m. compared with

NIS 32.3m. in the same period last year.

Man Food Industries reported a net loss of NIS 162,000 compared with a loss of NIS 1.6m. last year. The firm had revenues of NIS 5m. compared with NIS 5.1m. in the second quarter of 1993.

Gilbor Sabrin reported a second-quarter net loss of NIS 3.5m. compared with a net loss of NIS 3.2m. during the same period last year. The company had revenues of NIS 45.7m. compared with NIS 42.1m. in 1993.

'Cost of advertising on Channel 2 is much higher than in Europe'

LIAT COLLINS

THE cost of advertising per thousand viewers on Channel 2 is much higher than in Europe, according to the Israel Advertisers Association (IAA).

This is based on a survey of the local viewing audience prepared by the Gallup Institute for the Second Television and Radio Authority. IAA's analysis of the results, based on a six-week period covering only Jewish adults, showed that the Cost Per Thousand (CPT) price is up to three times higher than the CPT price in Europe. The CPT is the main factor for determining advertising prices until a formal ratings system is implemented.

Local advertisers pay between NIS 70 and NIS 90 per 1,000 viewers in prime time and up to NIS 406 per 1,000 viewers during non-peak hours. IAA director Yair Feldman said. He said that in comparison, advertisers in France pay \$8.1-\$12.7 (NIS 24.3-NIS 38.1), in Italy pay \$9.5-\$11.5 (NIS 26.7-NIS 34.5) and in England pay \$9.5 (NIS 28.5).

In response, Avi Nir, the advertising and marketing director of Keshet said, "The IAA noted only the top prices, not the annual average price as calculated in Europe. It also ignored the Arab sector, representing a quarter of the potential viewers."

WORLD BRIEFS

US durable orders fall unexpectedly in July: Orders for expensive manufactured goods tumbled unexpectedly in July, taking their largest fall in 2 1/2 years because of the seasonal shutdown of auto plants and a drop in aircraft orders, the US government said yesterday.

The Commerce Department said orders for durable goods - cars, home appliances and other items meant to last three years - declined 4.2 percent in July to a seasonally adjusted \$144.87 billion. Orders were up 1.2% in June. Reuter

Strong US sales help Honda profit rise: Robust US sales helped double the group profit of Honda Motor Co. in its first quarter, but a stronger yen eroded earnings on the sales and analysts said the company will not meet its profit target for the year.

Honda announced in Tokyo yesterday a group pre-tax profit of \$327.4 million in the quarter to June 30, up 110.3% from a year earlier, on sales of \$9.88b., up 5.8%. Reuter

Hoechst profit surges in first half: Germany's largest chemicals group, Hoechst AG, said strong foreign demand boosted first-half profits, and it forecast a clear rise in earnings for the full 1994 year. Group pre-tax profit jumped 39% to \$708m. from \$509m. a year earlier. Sales rose nearly 8% to \$16.08b. from \$14.92b. Reuter

NY attorney-general opposes Macy's merger: New York State's attorney general threatened on Tuesday to try to block the pending merger of R.H. Macy & Co. and Federated Department Stores unless Federated agrees to sell all 12 Macy's stores in the New York area. However, New York Attorney General G. Oliver Koppell said he would consider other proposals from Federated, including the divestiture of other stores to offset the anticompetitive effect of the merger. Reuter

Avner Oil Exploration sues ministry

AVNER Oil Exploration has filed a lawsuit with the High Court against the Energy and Infrastructure Ministry demanding it explain the reasons for turning down a request to conduct preliminary testing at an offshore drill site.

Last November, the company requested drilling rights to the Yam Tatis site, however, they were refused. According to Avner, the sites were closed down by Energy Minister Moshe Shaleh in order to hold them for multinational oil corporations that have complied with the Arab boycott until now, and have not conducted drilling here.

Avner has also requested an interim injunction to conduct preliminary testing so as not to jeopardize its relationship with US-based firm Enserch International Exploration.

ISRAEL MONEY MARKETS

Patah (foreign currency deposit rates) (23.8.94)			
Currency (deposit for)	3 MONTHS	6 MONTHS	12 MONTHS
U.S. dollar (\$250,000)	4.250	4.500	5.000
Pound sterling (£100,000)	3.875	4.375	5.000
German mark (DM 200,000)	4.000	4.000	4.375
Swiss franc (SF 200,000)	3.250	3.375	3.625
Yen (10 million yen)	0.825	0.875	1.000

(Rates vary higher or lower than indicated according to deposit)

Shekel Foreign Exchange Rates* (24.8.94)			
Currency basket	Buy	Sell	Banknotes
U.S. dollar	3.4018	3.4000	Buy
German mark	1.9446	1.9720	Buy
Pound sterling	4.6283	4.7940	Buy
French franc	0.0573	0.0575	Buy
Japanese yen (100)	3.0410	3.0539	Buy
Deutscher mark	1.7338	1.7879	Buy
Swiss franc	2.3380	2.3405	Buy
Norwegian krona	0.3918	0.3974	Buy
Danish krone	0.4028	0.4085	Buy
Finland mark	0.0682	0.0688	Buy
Canadian dollar	1.2837	1.2844	Buy
Australian dollar	2.2217	2.2230	Buy
S. African rand	0.0827	0.0828	Buy
Belgian franc (10)	0.0436	0.0438	Buy
Austrian schilling (10)	2.7854	2.8044	Buy
Italian lira (1000)	1.9204	1.9383	Buy
Japanese yen (100)	3.0410	3.0539	Buy
Yen (10 million yen)	0.825	0.875	Buy
Israeli shekel (100)	1.0000	1.0000	Buy
Israeli shekel (100)	1.0000	1.0000	Buy
Israeli shekel (100)	1.0000	1.0000	Buy
Israeli shekel (100)	1.0000	1.0000	Buy

* These rates vary according to bank. ** Bank of Israel.

SOURCE: BANK LEUMI

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Two-Sided, Maof are steady

TEL AVIV STOCK MARKET

ANDRE LUMBROSIO



Two-Sided index Maof index Karam index

THE market seemed to be set for another of those very bullish days. The Karam market opened with an excess of buy orders and the stage was set for a repeat performance of last Tuesday.

Prices started rising during the first two hours of trading on the Two-Sided. By the end of the first hour, however, the first signs of a change in trend appeared: prices on FUT options started rising, even before the Maof index started declining, indicating the market's direction. Up to that point, both the Maof and the Two-Sided indexes had risen by close to 1.2 percent.

By the end of the trading day, the Two-Sided closed down 0.05%, and the Maof was down 0.06%. Only the Karam, which reflected morning activity, was up sharply by 2.2%.

The interesting part was the decline came as a surprise to the investing public, as though the market had to continue to rise. In fact, yesterday's figures were somewhat of a technical reaction since a continuation of the rises would have brought the index back to where it was last Thursday, making last Sunday's declines look abnormal and opposition

to the capital gains tax look out of place. The stream of financial reports continued unabated. Yesterday, two took center stage: Israel Oil Refineries and Clal Industries. Refineries announced a second-quarter loss, attributing it to a stagnation of the prices of refined products on international markets while crude oil prices rose. Refineries had curtailed refined product exports in recent months due to that situation.

Clal Industries published reports announcing a sharp decline in profits and attributed it to stock market losses.

The market was also influenced by reports that a rise in interest rates next week is unavoidable. Rumors are the rise will be more than half a percent. The Slightly edged declines on the Two-Sided 52 to 32. The rises were mostly concentrated on speculative paper: Cohen Development rose 6.8%, Haniel was up 9.9% (reports of renewed drilling activity) and Evergreen was up 5%. Some of the blue chips were the object of buyer interest: Granit up 2.8%, ILDC up 3%. On the other hand, Meir Ezra was down 5%, T-Bone Veal fell 7.8%.

FTSE closes above 3,200 for first time since March

WORLD MARKET ROUNDUP

LONDON (Reuters) - British shares closed firm, with the FTSE 100 Index of leading stocks ending above 3,200 for the first time since March.

The index closed up 30.1 points, or 0.95 percent, at 3,205.2.

FRANKFURT - The DAX index wiped out Tuesday's losses and pushed higher as investors targeted financial, construction and consumer stocks.

But brokers said further gains were unlikely because of uncertainty about the bond market.

The DAX-30 Index ended up 18.50 at 2,126.37.

PARIS - French shares finished higher after a nervous session, heavily influenced by bond futures.

The CAC-40 Index ended the August trading account down 1.72%, but was up 5.66 points, or 0.28%, on the day at 2,006.29.

ZURICH - Swiss shares closed higher, aided by a firm Wall Street, in quiet business which was dominated by professionals.

The Broad SPI Index closed up 8.70 at 1,696.25.

TOKYO - Stocks ended higher on last-minute buying after a day of directionless trading.

The Nikkei average finished up 130.82 points, or 0.64%, at 20,511.60, with an estimated 270 million shares traded.

HONG KONG - A late round of bargain hunting pushed Hong Kong shares to a marginally higher close.

This erased early weakness resulting from Tuesday's disappointing land auction.

The Hang Seng Index closed up 4.63 points at 9,238.69, above a morning low of 9,130.07.

SYDNEY - Australian stocks closed firm on modest turnover, encouraged by a strong performance on Wall Street and supported later by a solid annual result from John Fairfax.

The All-Ordinaries Index closed up 9.6 at 2,061.1.

JOHANNESBURG - South African shares made strong gains across the board in steady afternoon trading, spurred by a stronger gold price and higher markets elsewhere.

The overall index ended up 36 points at 5,894, the industrial index 30 points higher at 6,647 and the gold index up 35 at 2,281.

Wall Street stocks surge

WALL STREET REPORT

NEW YORK (AP) - Stock prices sprinted higher yesterday after an unexpectedly weak reading on factory orders fueled hopes that the Federal Reserve would not tighten interest rates soon.

Stocks advanced in concert with bonds and the dollar after the Commerce Department said orders to US factories for big-ticket items declined a surprising 4.2 percent in July, the biggest drop in two and a half years.

Many economists had been forecasting a moderate gain of around 0.3%. The weak data calmed the bond market's fears about inflation and sent the dollar and bond prices higher early in the session.

Bonds extended their gains after a successful auction by the Treasury of new five-year notes. The 30-year bond was up 27.32 point late in the day. Its yield, which falls when prices rise, stood at 7.46%, down from 7.54% Tuesday.

Weak economic data are sometimes bad news for the stock market. But investors read the durable-goods report to mean that "the threat of inflation is abating, and you can extrapolate from that that the Fed doesn't have to raise interest rates any more this year," said Thom Brown, market strategist at Rutherford, Brown and Catherwood in Philadelphia.

Stocks opened higher and climbed throughout the day. They advanced for the second consecutive session after softening last week, when investors worried that a 0.5% tightening last Tuesday would choke off the economic recovery and ultimately compromise corporate profits and stock valuations.

Eugene Peroni, technical analyst at Janney Montgomery Scott in Philadelphia, said Wednesday's gains indicated that equities "investors are comfortable with and are betting on a steadily growing economy without inflation."

Economically sensitive stocks again provided leadership on the Big Board, after leading the Dow up 24 points on Tuesday.

According to preliminary calculations, the Dow Jones industrial average rose 70.90 points to 3,846.73.

Advancing issues outnumbered decliners by about 5 to 3 on the New York Stock Exchange, with 1,374 up, 814 down and 703 unchanged.

Big Board volume totaled 309.78 million shares, against 307.25 million in the previous session. The NYSE's Composite Index rose 2.17 to 258.61.

The Nasdaq Index rose 3.57 to 751.55. At the American Stock Exchange, the market value index rose 1.70 to 447.98.

Key Representative Rates

US dollarNIS 3.0220 +0.10%
SterlingNIS 4.6912 +0.04%
MarkNIS 1.9592 -0.52%

NEW STOCK MARKETS

New York market indexes

Index	Change
DJ Industrial	+352.77
DJ Transport	+132.57
DJ Comp	+107.11
NYSE Comp	+34.28
NYSE Ind	+34.28
NYSE Mid	+34.28
NYSE Small	+34.28
S&P 500 Index	+34.28
AMEX Comp	+34.28

Unchanged Advances Declines

Shares	714	138	82
Volume (in 1000s)	16599		
Volume (in 1000s)	8999		

Other stock market indexes

Index	Change
FTSE 100	+30.1
Tel Aviv 100	+130.9
Singapore	+4.3
Hong Kong	+0.7
London	+0.7

Israeli stocks in NY

Symbol	Price	Change
AMEX	4.45	-0.02
Amir	1.12	-0.02
Amir A	1.12	-0.02
Amir B	1.12	-0.02
Amir C	1.12	-0.02
Amir D	1.12	-0.02
Amir E	1.12	-0.02
Amir F	1.12	-0.02
Amir G	1.12	-0.02
Amir H	1.12	-0.02
Amir I	1.12	-0.02
Amir J	1.12	-0.02
Amir K	1.12	-0.02
Amir L	1.12	-0.02
Amir M	1.12	-0.02
Amir N	1.12	-0.02
Amir O	1.12	-0.02
Amir P	1.12	-0.02
Amir Q	1.12	-0.02
Amir R	1.12	-0.02
Amir S	1.12	-0.02
Amir T	1.12	-0.02
Amir U	1.12	-0.02
Amir V	1.12	-0.02
Amir W	1.12	-0.02
Amir X	1.12	-0.02
Amir Y	1.12	-0.02
Amir Z	1.12	-0.02

(All listings are closing quotes)

INTL MONEY MARKETS

Dollar crossrates (US)

Country	Rate	Change
Canada	0.71	-0.01
France	6.55	-0.01
Germany	3.36	-0.01
Italy	1.36	-0.01
Japan	110.00	-0.01
UK	4.69	-0.01
Sweden	8.46	-0.01
Norway	4.76	-0.01
Denmark	4.66	-0.01
Finland	5.94	-0.01
Greece	340.75	-0.01
Spain	166.36	-0.01
Portugal	200.48	-0.01
Belgium	36.36	-0.01
Netherlands	2.20	-0.01
Austria	13.76	-0.01
Switzerland	7.48	-0.01
Poland	4.00	-0.01
Czech	166.08	-0.01
Slovak	136.76	-0.01
Hungary	166.08	-0.01
Romania	166.08	-0.01
Bulgaria	166.08	-0.01
Slovenia	166.08	-0.01
Croatia	166.08	-0.01
Serbia	166.08	-0.01
Montenegro	166.08	-0.01
Bosnia	166.08	-0.01
Herzegovina	166.08	-0.01
Macedonia	166.08	-0.01
Albania	166.08	-0.01
Bulgaria	166.08	-0.01
Romania	166.08	-0.01
Slovakia	166.08	-0.01
Czech Republic	166.08	-0.01
Hungary	166.08	-0.01
Slovenia	166.08	-0.01
Croatia	166.08	-0.01
Serbia	166.08	-0.01
Montenegro	166.08	-0.01
Bosnia	166.08	-0.01
Herzegovina	166.08	-0.01
Macedonia	166.08	-0.01
Albania	166.08	-0.01

Libor rates

Term	Rate	Change
3 months	5.75%	-0.01
6 months	5.75%	-0.01
9 months	5.75%	-0.01
12 months	5.75%	-0.01

Foreign financial data courtesy of CommStock Trading Ltd.

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INTL COMMODITIES AND METALS

US commodities

Commodity	Price	Change
Crude Oil	22.84	+0.01
Gold	388.8	+0.01
Silver	16.8	+0.01
Copper	1.02	+0.01
Aluminum	0.92	+0.01
Natural Gas	0.62	+0.01
Heating Oil	0.62	+0.01
Gasoline	0.62	+0.01
Wheat	0.62	+0.01
Corn	0.62	+0.01
Soybeans	0.62	+0.01
Canola	0.62	+0.01
Mustard Seed	0.62	+0.01
Sunflower Seed	0.62	+0.01
Flax Seed	0.62	+0.01
Barley	0.62	+0.01
Oats	0.62	+0.01
Rye	0.62	+0.01
Millet	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01

London commodities

Commodity	Price	Change
Crude Oil	22.84	+0.01
Gold	388.8	+0.01
Silver	16.8	+0.01
Copper	1.02	+0.01
Aluminum	0.92	+0.01
Natural Gas	0.62	+0.01
Heating Oil	0.62	+0.01
Gasoline	0.62	+0.01
Wheat	0.62	+0.01
Corn	0.62	+0.01
Soybeans	0.62	+0.01
Canola	0.62	+0.01
Mustard Seed	0.62	+0.01
Sunflower Seed	0.62	+0.01
Flax Seed	0.62	+0.01
Barley	0.62	+0.01
Oats	0.62	+0.01
Rye	0.62	+0.01
Millet	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01

Spot market metals (US)

Commodity	Price	Change
Gold	388.8	+0.01
Silver	16.8	+0.01
Copper	1.02	+0.01
Aluminum	0.92	+0.01
Natural Gas	0.62	+0.01
Heating Oil	0.62	+0.01
Gasoline	0.62	+0.01
Wheat	0.62	+0.01
Corn	0.62	+0.01
Soybeans	0.62	+0.01
Canola	0.62	+0.01
Mustard Seed	0.62	+0.01
Sunflower Seed	0.62	+0.01
Flax Seed	0.62	+0.01
Barley	0.62	+0.01
Oats	0.62	+0.01
Rye	0.62	+0.01
Millet	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01

New York metal futures

Commodity	Price	Change
Gold	388.8	+0.01
Silver	16.8	+0.01
Copper	1.02	+0.01
Aluminum	0.92	+0.01
Natural Gas	0.62	+0.01
Heating Oil	0.62	+0.01
Gasoline	0.62	+0.01
Wheat	0.62	+0.01
Corn	0.62	+0.01
Soybeans	0.62	+0.01
Canola	0.62	+0.01
Mustard Seed	0.62	+0.01
Sunflower Seed	0.62	+0.01
Flax Seed	0.62	+0.01
Barley	0.62	+0.01
Oats	0.62	+0.01
Rye	0.62	+0.01
Millet	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01
Buckwheat	0.62	+0.01
Quinoa	0.62	+0.01
Amaranth	0.62	+0.01

London metal futures

Gold (Dec)	388.8	+0.01
Silver (Sep)	16.8	+0.01
Palladium (Sep)	1,020	+0.01
High-grade copper (Sep)	1.02	+0.01
London metal		

Haifa crashes out of Europe

DEREK FATTAL and agencies

MACCABI Haifa put on spirited first half display in its second leg match in the European Champions Cup in Vienna last night against Casino Salzburg, but wound up 3-1 losers to the powerful Austrian league champions.

Salzburg advances to the next round of the competition, winning 5-2 on aggregate.

While the Haifaite clearly led the first 45 minutes on points, they were unable to translate superiority into goals so as to dent the Austrians' 2-1 lead from the first meeting at Kiryat Eliezer.

The Israelis' collapse came just after the resumption as Croatian midfielder star Mladen Mladenovic converted two free kicks within five minutes, to end Haifa's hopes.

Fellow countryman Nikola Jurcovic added a third in the 76th minute, with Alon Hazan hitting back for Haifa with a minute left to play.

Shai Holtzman led Maccabi's charge in the opening minutes coming close with two attempts on Otto Konrad's goal, to demonstrate that the Austrian defense could be beaten.

The hosts, playing in a near empty rain-soaked stadium, eventually put aside their jitters, with Herman Stadler threatening twice. The Austrian's best chance of the half came when the two Croatians linked up smartly to open a path to goal, but Mladenovic volleyed over Rafi Cohen's upright.

Mladenovic's first strike followed a clumsy challenge by Alon Hazan on the edge of the Haifa area in the 47th minute. He curled his free kick over the heads of two colleagues at the end of Maccabi's wall, high into the net just out of reach of Cohen's groping hands.

His second goal, hit from over 20 meters out took advantage of an ill-disciplined Haifa wall, taking a telling deflection off Hazan, to confuse Cohen.

The Haifaite continued to throw everything into attack in the search for a consolation goal. Substitute Haim Revivo, then the artful Eyal Berkowitz and Sergei Kandaurov were all denied by superb saves from Konrad.

Left exposed at the back, Jurcovic compounded Haifa's misery, streaming down the right flank then smacking the ball past Cohen for a 76th minute goal.

Alon Hazan finally retrieved some honor for Maccabi, smacking a free-kick from the edge of the area into the roof of Konrad's net with just a minute left to play.

Haifa's heavy exit from the competition is a severe blow to the club which has spent millions of shekels this summer in new talent. Estimates indicate that competing in the league stage of the Champions' Cup would have added around \$4 million to the club's coffers.

In addition Israel's prospects of having a club allotted a place in next year's competition have been dealt a strong blow, as the seeding structure is based on past performances by a

nation's sides in European competition.

Galatasaray 4, Avenir Beggen 0

Turkey's Galatasaray, which beat Manchester United in the second round last season, qualified yesterday for the European Cup Champions' League where its first opponents will be 1994 runners-up Barcelona. Striker Hakan Sukur hit a hat-trick as the Turkish champions crushed Luxembourg's Avenir Beggen in the second leg of their preliminary round tie in a 4-0 aggregate win.

The victory put Galatasaray into group A of the revamped four-group Champions' League along with the seeded Barcelona - which lost last May's final 4-0 to AC Milan - and Manchester United, which they eliminated on the away goals rule last year after a shock 3-3 draw at Old Trafford.

The team travels to Barcelona's imposing Nou Camp stadium on the opening day of group matches on September 14.

United will be at home to IFK Gothenburg, the other team to secure a place in Group A yesterday.

Galatasaray played the home leg in Izmir after UEFA banned them from playing in Istanbul because of crowd trouble in the first leg in Luxembourg two weeks ago and ordered they stage their next match at least 300 kilometers from the capital.

The Turkish champions failed to put away any chances until Sukur headed his first goal in the 54th minute. He again found the net in the 70th minute and converted a penalty in the 84th.

New signing Saffet Sancakli scored the other goal in the 64th minute, just four minutes after coming on as a substitute.

Yesterday's European Cup results: (preliminary round, second leg) In Vienna: Austria Salzburg (Austria) 3, Maccabi Haifa (Israel) 1. Scores: Salzburg - Mladenovic 2 (47th, 76th), Hazan 1 (76th), Mladenovic 2 (47th, 76th). Attendance: 25,000. Salzburg wins 5-2 on aggregate.

In Ankara: Galatasaray (Turkey) 4, Avenir Beggen (Luxembourg) 0. Scores: Hakan Sukur 3 (47th, 70th, 84th), Saffet Sancakli 1 (64th). Attendance: 75,000. Galatasaray wins 4-0 on aggregate.

In Gothenburg: Gothenburg (Sweden) 2, Sparta Prague (Czech Republic) 0. Scores: Jesper Blomqvist 2 (22nd), Stefan Rehn 1 (64th). Attendance: 13,469. Gothenburg wins 2-1 on aggregate.

In Kiev: Dynamo Kiev (Ukraine) 3, Sligo Rovers (Ireland) 1. Scores: Dynamo - Serhiy Stetsenko 2 (1st, 28th), Serhiy Kovalev 1 (28th), Vitaly Kozlovsky 1 (90th). Sligo - Fernandez 1 (74th). Attendance: 30,000. Dynamo wins 3-1 on aggregate.

In Budapest: FC VAC (Hungary) 1, Paris St. Germain (France) 2. Scores: FC VAC - Austi Fule 1 (31st), Paris St. Germain - Patrick Mbona 2 (20th, 68th). Attendance: 2,000. Paris St. Germain wins 5-1 on aggregate.

In Geneva: Servette (Switzerland) 1, Steaua Bucharest (Romania) 1. Scores: Servette - Peter Schupp 1 (15th), Steaua - Firva 1 (61st). Attendance: 10,700. Steaua Bucharest wins 5-2 on aggregate.

Yesterday's Cup Winners' Cup results: (preliminary round, second leg) In Espoo: HJK Helsinki (Finland) 2, Sandviker Fotbollklubb (Faroe Islands) 0. Scores: Mika Komia 1 (1st min), Jasse Seikkamaa 1 (80th). Attendance: 700. HJK wins 7-0 aggregate.

In Schaan: Schaan (Liechtenstein) 0, FC Pirin (Bulgaria) 1. Scores: Jaskov 1 (2nd). Attendance: 1,150. FC Pirin wins 4-0 on aggregate.

Yesterday's UEFA Cup results: (preliminary round, second leg) In Akron: Akron (Iceland) 2, Bangor City (Wales) 0. Scores: Hamidur Islam 1 (8th), Oskar Thorsteinsson 1 (21st). Attendance: 1,200. Akron wins 4-1 on aggregate.

FIFA slaps Maradona with 15-month soccer ban

ZURICH (Reuters) - Diego Maradona was banned from soccer for 15 months by FIFA yesterday for taking a cocktail of performance-enhancing drugs at the World Cup finals.

Maradona, who tested positive for five stimulants after a first-round match against Nigeria on June 25, was also fined 20,000 Swiss francs (\$15,000).

The Argentine Football Association (AFA) was given a caution, and Daniele Serrini, a medical consultant with the team at the World Cup and held partly responsible for Maradona's positive test, received the same punishment as the player.

Maradona, backed by Argentine President Carlos Menem, decried the suspension as excessively harsh.

"You can tell these guys at FIFA have no families. They really didn't take anything into consideration," Maradona told local television.

Menem, a keen soccer fan, said FIFA had been too hard on the player who enthralled the world with his soccer magic until what local commentators called his last mistake.

"We expected something lighter," Menem told reporters. "We thought expelling him from the World Cup had been enough. This looks like too much, a very harsh punishment."

The International Football Federation refused to make any formal statement about how they reached their decision and the level of the punishment until they had sent a written judgement to Maradona and the AFA.

The suspension is the same as Maradona received for testing positive for cocaine in Italy in 1991, and probably means the end of the 33-year-old's playing career.

With the ban running from June 30, 1994 to September 29, 1995, Maradona will be 34 and 11 months when it expires.

The Argentine captain, who graced his country by leading them to World Cup glory in 1986, but who has since disgraced them by being twice caught



CAREER ON HOLD - Argentine soccer star Diego Maradona walks with a medical technician for a random drug test during the World Cup.

using drugs, had been due to play a record 22nd game in the World Cup finals the day he was suspended.

He was not present at the three-hour meeting in Switzerland, and his case was put by manager Marcos Franchi, a lawyer and a football association official.

FIFA press officer Guido Tognoni said: "We do not want to destroy him for his actions. But it was always said we should deal with this case without keeping in mind he was Maradona."

"This case shows FIFA is a credible organization with credible doping tests."

The decision was final, with no means of appeal, FIFA general secretary Sepp Blatter said.

FIFA, which was clearly taken by surprise by Maradona's positive test in June, also announced that before the next World Cup finals they would draw up a framework of sanctions for punishing players using drugs.

"At the moment we have a wide range of possible sanctions, but we need more certainty in future. We know we should be more precise next time," said Tognoni.

Maradona was withdrawn from the World Cup by the AFA before FIFA could decide what punishment to hand down after he tested positive for ephedrine, a banned stimulant found in many over-the-counter medicines, and four other related drugs including pseudo-ephedrine.

FIFA suspended him until they could convene a meeting after the World Cup had finished.

FIFA's World Cup Organizing Committee Bureau, chaired by Mexico's Guillermo Canedo and including members from every confederation, reached a unanimous decision yesterday.

Maradona denied any wrongdoing at the time in the US, but both samples taken from the player tested positive.

A FIFA spokesman said no new evidence was offered to the committee yesterday, and that Maradona's lawyer claimed there had been a mix-up in using two similarly-named products.

FIFA official doctor Michel d'Hooghe said at the time of the doping the five identified substances in Maradona's urine sample were not to be found in any single medicine.

Mac. TA hopeful against Keflavik

ORI LEWIS

OF all three Israeli teams in Europe, Maccabi Tel Aviv appeared to have the easiest draw, on paper at least, when it was determined in July that it would face IBK Keflavik of Iceland in the Cup Winners Cup.

Maccabi proved the pundits right when it returned from Iceland with a 2-1 first-leg away win, while Maccabi Haifa lost 2-1 at home to Casino Salzburg and Hapoel Beersheba was defeated 3-1 by Aris Salonika in Greece.

Haifa and Beersheba have since been knocked out of Europe, but Maccabi can secure a second round berth today if it lets its opponents sweat it out in the heat of Ramat Gan.

The Icelanders arrived here at the beginning of the week to get acclimated. Their home conditions in summer are of a very different kind, with a maximum summer temperature of around 12 degrees Celsius.

The visitors, although strong in build and very determined, are only semi-professional and will be up against opponents who know they do not need to overstretch themselves to stay in the competition for at least one more round.

Maccabi will be at full strength for the game and will be going for victory even though it knows the Icelanders must win 2-0 for outright victory or 2-1 to force extra time and penalties.

In a related matter, the IFA's tribunal threw out Maccabi Tel Aviv's petition to force the IFA to put off its season-opening National League game against Ironi Ashdod to Sunday.

Maccabi claimed it will have to play Ashdod only four hours after its game against Keflavik and should be given another day to recover.

In passing judgement, Judge Dov Levin said that Maccabi had had over a month to appeal but had left the matter to the last minute. The court therefore saw no reason to put off the game.

O.J. reportedly part of NFL's All-Time Team

PITTSBURGH (AP) - O.J. Simpson has been named to the NFL's All-Time Team, a newspaper reported Tuesday, although the league refused to comment.

The list was published in the Pittsburgh Post-Gazette, but it won't be released officially until next Tuesday when the NFL presents many of the players at a news conference in New York in conjunction with the league's 75th anniversary.

Simpson, who faces trial next month for the murder of his ex-wife and her friend, was one of six running backs on the team, the newspaper said. The 48-man squad team was selected by a panel of former players, NFL and Pro Football Hall of Fame officials and media members.

Simpson first gained fame in the late 1960s when he won the highest award in college football, the Heisman Trophy, as a running back for the University of Southern California.

Sutton, Shearer pave way for Blackburn win

LONDON (Reuters) - Chris Sutton and Alan Shearer showed why Blackburn boss Kenny Dalglish splashed out £8.3 million on them with a brilliant display in a 3-0 home victory over Leicester in the English Premier League on Tuesday.

The two strikers, playing together for only the second time, scored once each and were also involved in the third.

Arsenal, rated potential contenders for the title, suffered a surprising defeat when goalkeeper Dave Seaman blundered away a goal in the 89th minute of a 1-0 loss to Leeds.

Blackburn, second to Manchester United last season, started in a mood

which threatened to sweep the promoted Leicester side away, with Sutton prominent.

The former Norwich man, 21, converted a pass from Shearer in the 19th minute with a drive from six meters that left goalkeeper Gavin Ward powerless.

Leicester fought back unavailingly before Blackburn regained its earlier dominance with a 59th minute goal.

A cross to the far post set up a firm header from Sutton which Shearer touched before Norwegian Henning Berg helped the ball over the line.

Shearer's late goal came on a rebound.

At Leeds, England keeper Seaman

handed Leeds a last-gasp victory - in front of England coach Terry Venables.

Seaman allowed a speculative 35-yard drive from substitute Noel Whelan to squeeze past him with under two minutes remaining.

Arsenal's Ian Wright had previously looked the most likely to break the deadlock but was foiled two times by former Arsenal goalkeeper John Lukic.

In the other game on the Premier League program, midfielder Simon Milton, on his 31st birthday, equalized his entire league goal output for last season with the 61st minute equalizer for Ipswich against Wimbledon.

Wimbledon seemed to be coasting towards victory courtesy of Dean Holdsworth's pile-driver when Milton punished a defensive error.

Chris Kilmory's flick confused the Wimbledon defense and Scott Fitzgerald miskicked in attempting to clear, but only deflected the ball into the path of Milton who beat Hans Segers from eight yards.

Holdsworth's 19th minute rising drive from 20 meters had given Wimbledon the lead.

Tuesday's Premier League results: Blackburn 3, Leicester 0; Leeds 1, Arsenal 0; Wimbledon 1, Ipswich 1.

Romario fined \$77,000

BARCELONA (AP) - Romario's extended three-week vacation cost him \$77,000, a modest fine imposed yesterday that FC Barcelona coach Johan Cruyff said would have been higher if the Brazilian star hadn't returned slightly humbled and repentant.

"If Romario hadn't come back in a good frame of mind, I would have kicked him off the team instantly," Cruyff told reporters after meeting

with Romario and club officials and imposing the 10 million peseta fine.

"He has come back in a humble mood and very open."

Romario, who returned to Spain on Tuesday, angered Cruyff by ignoring an August 1 deadline for his arrival at training camp. The 28-year-old striker said he needed a rest after leading Brazil to the World Cup title last month in the US.

Basketball season begins

JOEL GORDIN

THE 1994/5 basketball season officially gets started tonight when the first leg of the first round of the State Cup gets under way. The second leg of the cup matches will be held Sunday night.

The 12 winners, together with the four clubs which have byes, will go forward to the best-of-16 rounds on September 9 and October 6. The league will start next Thursday night.

Tonight's fixtures are (home team mentioned first): Hapoel Afula vs. Hapoel Holon; Hapoel Nahariya vs. Hapoel Elit; Maccabi Kiryat Motzkin vs. Maccabi Jerusalem; Maccabi Haifa vs. Hapoel Haifa; Maccabi Ederat vs. Hapoel Galil Elyon; Maccabi Netanya vs. Maccabi Rishon LeZion; Betar Migdal Haemek vs. Betar Ramat Gan; Maccabi Hod Hasharon vs. Elitzur Rishon LeZion; ASA Ramat Hasharon vs. Hapoel Safed; Givat Shmuel vs. Bnei Herzliya; Maccabi Rehovot vs. Hapoel Givatayim; Maccabi Daron Tel Aviv vs. Maccabi Ramat Gan.

Maccabi Tel Aviv, Hapoel Gvat, Hapoel Jerusalem and Hapoel Tel Aviv all have byes.

Davis Cup tickets go on sale

HEATHER CHAIT

WITH less than a month to go before the Davis Cup relegation round tie between Israel and Belgium in Ramat Hasharon, tickets went on sale this week.

Amos Mansdorf - whose ranking has fallen from 56 to 61 at present - and Gilad Bloom (184) are likely to spearhead Israel's battle to remain in the elite 16-nation World Group.

Three years ago, Mansdorf and Bloom suffered a humiliating 4-1 defeat in Brussels which threw Israel into the Euro/African Group.

Their opponents this time will be Filip Dewulf (129) and Xavier Daufresne (156) with Libo Pimek (doubles ranking 48) in the doubles.

A set of marked tickets for the event (September 23 to 25) will cost NIS 110, unmarked seats will be NIS 65 and NIS 30 for soldiers and youth.

A day's ticket will cost NIS 50 (marked), NIS 30 (unmarked) and

NIS 15 (youth).

Gilbert Ysern from France will be the International Tennis Federation referee with Massimo Morelli of Italy and Sweden's Hakam Roos acting as chair umpires.

Play will begin at noon on Friday and Sunday and at 2.15 pm on Saturday.

Meanwhile, an Israeli quartet reached the quarter-finals of the Vanessa Phillips Women's \$10,000 Satellite in Haifa yesterday.

Second-seeded Tzipi Ozblizer beat Holland's Marietta Bruins 4-6, 6-3, 6-1 while third seed Shiri Brustein defeated Franke Joosten, also from Holland, 6-1, 7-5.

Nataly Cahana stopped qualifier Elissa Burton from Austria 6-2, 6-3 and Meirav Duck, a wildcard entry, won her game against Martina Schaller, from Austria, when Schaller retired with Duck leading 6-4.

Today's games begin at 3 pm.

Quality Classifieds

RATES

PRICES ARE AS FOLLOWS - All rates include VAT: Single Weekday - NIS 87.75 for 10 words (minimum), each additional word NIS 8.77. FRIDAY and HOLIDAY EVE - NIS 128.70 for 10 words (minimum); each additional word NIS 12.87.

MONDAY, WEDNESDAY and FRIDAY (Package) - NIS 190.71, each additional word NIS 19.07. WEEK RATE (6 insertions) - NIS 245.70; each additional word NIS 24.57. FOUR FRIDAYS NIS 319.41 for 10 words (minimum) each additional word - NIS 31.94. MONTHLY (24 insertions) NIS 491.40 10 words (minimum) each additional word - NIS 49.14.

DEADLINE OFFICES: Jerusalem - weekdays - 12 noon the day before publication; for Friday and Sunday - 6 p.m. on Thursday. Tel Aviv and Haifa - weekdays - 12 noon, 2 days before publication for Friday and Sunday - 4 p.m. Thursday in Tel Aviv and Sunday Thursday in Haifa.

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Cabinet approves cuts in school security budget

THE cabinet yesterday approved a NIS 90 million budget, NIS 30m. less than last year, for guarding schools in the coming academic year.

Last year, parents paid NIS 30m. for school safety, but this year they will be exempt from payment. The local councils will continue to contribute their share of the budget - 12 percent, according to Deputy Education Minister Micha Goldman.

Goldman told the cabinet that the cuts had been made possible by efficiency measures. "The extent of the guard duty will be the same," Goldman said, "only it will cost less because the system has been improved."

But MK Limor Livnat (Likud), who chairs the Knesset sub-committee on ensuring the safety of educational institutions, said she would call an urgent session since the "strange decision" would affect pupil safety. "The govern-

BATSHEVA TSUR

ment is busy cutting budgets for the safety of schoolchildren while simultaneously giving hundreds of millions to the kibbutzim," she said.

To this, Goldman responded: "The government's budget has not changed by one agora. Only the parents do not have to pay. The level of safety will remain the same."

A spokesman for the Union of Local Councils said it supported the government's decision in a belief the budget would suffice to cover all security needs.

By cutting payments by parents, or the need for parents to do guard duty themselves, the ministry has avoided a strike which threatened to keep the schools closed on September 1.

Outlining the changes in the system for the coming year, Goldman said that school guards

and safety inspectors would cooperate more closely with the police. Their communications system would be adjusted to the police wavelengths, making real-time coordination possible.

He said that the plan had been approved by the prime minister's adviser on terror. Security experts had advised the inspectors as to where it would be possible to cut the number of officers in an inspection van. In certain schools, fewer guards would be needed because one guard could man the entrance if the area was fenced in.

Goldman said that there was hardly an educational institution, however small, that does not have a telephone or emergency connection to the police.

Meanwhile, the Education Ministry has set up a committee to advise it on protecting educational institutions in the future by April of next year.

Official slammed over decision not to dismiss Ofakim school principal

AMIR ROZENBLIT

A STORM is brewing in Ofakim over a decision by Education Ministry Director-General Dr. Shimon Shoshani to leave a principal accused of physically and verbally abusing pupils in his post.

Shoshani's decision overturned an earlier one to suspend Yosef Hajbi, principal of the Negev town's Mercat Hano'ar school, which was taken by a committee appointed by regional supervisor Dr. Amram Malitz.

Instead, Shoshani decided to place a "director-general's warning" in Hajbi's personnel file.

The committee also recommended the transfer of three

teachers who had organized a letter complaining about Hajbi.

On hearing of the decision, Ofakim local council head Micha Herman sent a stinging letter to Shoshani, saying the local council would not cooperate with the decision and demanded it be rescinded immediately.

Hajbi, who has been principal of Mercat Hano'ar for some 20 years, denied all the charges against him.

The school, which is administered by the Youth Aliya Department of the Jewish Agency and the Education Ministry, serves some 100 youths classified as "problem pupils."

Parents' group wants schools to refund 'illegal' charges

THE National Parents' Association is threatening to petition the High Court of Justice unless schools return money its members parents were illegally forced to pay.

Association chairman Shai Lachman told a press conference that parents were charged for such things as photocopying, security guards, and computers, and that sometimes they were threatened that children would not be enrolled in the schools if they refused to pay.

Such threats are illegal, Lachman claimed, because they contradict an order by Education Minister Amnon Rubinstein that enrollment must not be made dependent on payment of such fees.

"The education system was in a state of complete anarchy concerning parents' payments," Lachman said.

The association further warned it will allow only veterans of IDF combat units to do guard duty at schools. (Iim)

Three die in road accidents

HAIM SHAPIRO and Iim

THREE people were killed in traffic accidents yesterday.

Meanwhile, the Central Bureau of Statistics reported that 38 people died in road accidents last month. The bureau said that the police had recorded 1,713 accidents, 36 of them fatal, in which there were injuries during the month. There were 243 accidents with serious injuries.

This represented a 9 percent drop in accidents and an 11 percent decrease in the number of injured over July 1993.

In Ramat Gan, Ronen Cohen, 30, of Bat Yam, was killed early yesterday morning when his car slammed into a truck which was totally blocking Jabotinsky Street as it delivered a crane to a building site. The reason for the accident is a mystery as there were signs indicating the street was blocked and two policemen were directing traffic around the area.

Amit Yosepov, 18, of Petah Tikva, was killed when his van swerved from its lane and collided head on with a truck near Kochav Yair. Another man was seriously injured.

Yitzhak Levy, 46, of Nahariya, was killed when for unknown reasons he lost control of his car at the entrance to the city, ran up onto a traffic island, and hit a tree.



Romanian police chief Maj.-Gen. Ion Pitulescu (center) displays recovered treasure in Bucharest yesterday. The relics were stolen from the Jewish museum in Budapest last year and are estimated to be worth some \$200 million. Two suspects have been apprehended and are to be charged with theft. (AP)

Cabinet delays decision on re-opening Machpela Cave

HERB KEINON

NO decision on when to reopen Hebron's Machpela Cave was taken at a special cabinet meeting yesterday, where ministers were briefed by top security officials about the security situation there.

A number of cabinet ministers, who wanted to remain anonymous, said they did not believe the cave - closed February 25 after the Hebron massacre - would be opened before Rosh Hashana, which falls on September 6.

Settlement leaders in Kiryat Arba and Hebron have been pressing the government to open the cave in time for the holidays, and Prime Minister Yitzhak Rabin reportedly told National Religious Party and Shas MKs in separate meetings last week it would indeed be open by then.

Chief Rabbis Yisrael Meir Lau and Eliahu Bakshi-Doron are scheduled to visit the cave

this morning. The rabbis, in a meeting with Rabin earlier this week, asked that the cave be open for the holidays, but Lau said afterward he did not think this would happen.

The Shamgar Committee that investigated the massacre recommended that Jewish and Moslem worshippers at the cave be separated, but did not spell out what the separation should be.

The two options before the government are either to allow Jews and Moslems in the cave for prayer at different times or to set aside separate Jewish and Moslem areas in the cave.

The government also must decide on the size of the IDF force needed to provide security in and around the cave.

Meanwhile, the Hebron-based Committee for the Machpela Cave is planning a massive recitation on Saturday night of penitential (sil-hot) prayers in front of the cave.

Noam Arnon, a spokesman for the committee and the Jewish settlement in Hebron, said the continued closure of the cave is a "violation of the religious rights of the Jewish people and is collective punishment for the acts of a single person."

Arnon said there is no reason why the IDF, which built a border crossing with Jordan in four days, could not complete the necessary security arrangements in the cave within six months. said there is no reason why the IDF, which built a border crossing with Jordan in four days, could not complete the necessary security arrangements in the cave within six months.

Petition from Deri's lawyers to be heard on Monday

EVELYN GORDON

THE High Court of Justice on Monday will hear two petitions by attorneys for former interior minister Aryeh Deri, asking that they not be forced to represent him at his upcoming trial.

The trial is due to start next Thursday.

Attorney Dan Avi-Yitzhak, in a petition filed Tuesday, said that alternatively, he would be willing to represent Deri if hearings are held only three days a week, instead of four.

However, Deri's other attorney, Amnon Zichroni, did not make this offer in a similar petition filed yesterday.

Both attorneys argued that the Jerusalem District Court had no right, in its decision last week, to force them to represent Deri,

since their contract with him covered only the preliminary hearings.

While a court can force a lawyer to continue representing someone once they have started, in this case neither lawyer ever agreed to take Deri's case, the petitions argued.

Limited powers of attorney are common practice, and Deri, the prosecution and the court were all aware of the limits on this particular power of attorney, the petitions continued.

"The right of a court to force the creation of an attorney-client relationship on a lawyer and a defendant is not found anywhere in Israeli law," Zichroni wrote in

his petition.

Both petitions also argued that the district court's decision would harm future defendants, because attorneys would be afraid to give them any assistance for fear of being forced to stay on the case, and lawyers who felt they were forced to serve a client would probably give much less loyal service, the petitions said.

Zichroni also challenged the district court's argument that if he and Avi-Yitzhak were allowed to resign, other lawyers would start signing new powers of attorney for each session of a trial to retain the right to quit whenever they pleased.

"This case is exceptional, because of the unprecedented amount of material, the expected length of the proceedings and the defendant's injunction against his lawyers working on Shabbat," he wrote.

"The chances that a defendant would agree, in [ordinary] cases, to risk being left without an attorney during the course of a trial, are very slim," Zichroni wrote. "[Thus] the chance that limited powers of attorney such as this would be used as an escape mechanism by attorneys in other cases is very small."

The proof of this, he said, is that Deri himself agreed to the limited power of attorney only after several other law offices turned him down flat.

Police probe disappearance of funds from Histadrut union

MICHAEL YUDELMAN

TEL Aviv police are investigating the disappearance of tens of thousands of shekels from the account of the Dieticians Union, which is part of the Paramedical Workers' Union.

The Histadrut comptroller has also been asked to look into the affair, in which signatures of the union heads were apparently forged on at least one check, which was used to withdraw NIS 35,000 from the union's account.

Paramedical Union secretary Dalia Klishevsky, who reported the missing checks to both the police and the Histadrut comptroller, said they were probably stolen from her office some months ago, when she was on leave abroad.

Klishevsky only learned of the missing checks 10 days ago, when she received bank accounts indicating that one check, for NIS 35,000, had been deposited and the cash drawn against it, she said.

In order to cash the check, two signatures were required - Klishevsky's and Aviva Shemesh of the Dieticians Union.

The bank honored the check and paid the sum in full to the person who presented it, although it is clear from the zerox copy of the check that Shemesh's signature is forged.

Klishevsky's signature does not appear at all - instead there is a rubber stamp of her signature.

The police and Histadrut are checking if Klishevsky had anything to do with the illegal clearance of the check at the bank and why the bank cleared the check.

Histadrut Trade Union Department chairman MK Amir Peretz met Klishevsky earlier this week to clarify the matter, at the request of the Dieticians Union.

Peretz said he would wait for the outcome of the police investigation before deciding on what steps to take.

Peretz also spoke to Histadrut Treasurer Haim Oron and asked him to examine all the Histadrut trade unions' bank accounts.

Rabin to investigate possible Shas 'shmitta' fraud

EVELYN GORDON

PRIME Minister Yitzhak Rabin has agreed to investigate whether money meant to support shmitta programs was diverted to Shas institutions.

Rabin said he would look into the matter in response to a complaint by Amitai - Citizens for Good Government.

Amitai's complaint revolves around NIS 7 million authorized by the Knesset finance committee to support shmitta-observant yeshivot. The money was to be disbursed by the Religious Affairs Ministry, of which Rabin is the acting head.

Amitai claims to have received information indicating that most

of the money was actually transferred to institutions affiliated with Shas.

Shas runs a number of study programs for members of shmitta-observant moshavim. However, Amitai claims that some of the institutions which received this money do not deal with shmitta at all.

The organization also charged that it is not clear what became of some of the money, totaling some NIS 1.8 million.

In response to Amitai's complaint, cabinet secretary Shmuel Hollander sent a letter to Amitai saying that Rabin had appointed him to investigate the issue.

Egyptian Foreign Minister to visit for talks

Egyptian Foreign Minister Amr Moussa will visit Israel next Tuesday for talks on improving bilateral relations and speeding up the Israeli-Arab peace process.

The Egyptian Foreign Ministry said yesterday that Moussa would meet with Prime Minister Yitzhak Rabin and Foreign Minister Shimon Peres.

Egyptian ministers of tourism, economics and science are scheduled for later trips, ministry officials said. (AP)

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